

Fiscal and Administrative

Administrative Office
Organizational Development

Assessor

Auditor-Controller

Board of Supervisors

Clerk-Recorder

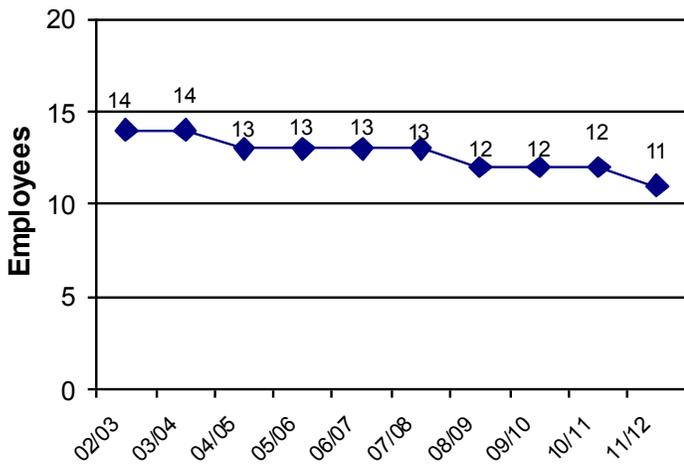
Treasurer-Tax Collector-Public Administrator

MISSION STATEMENT

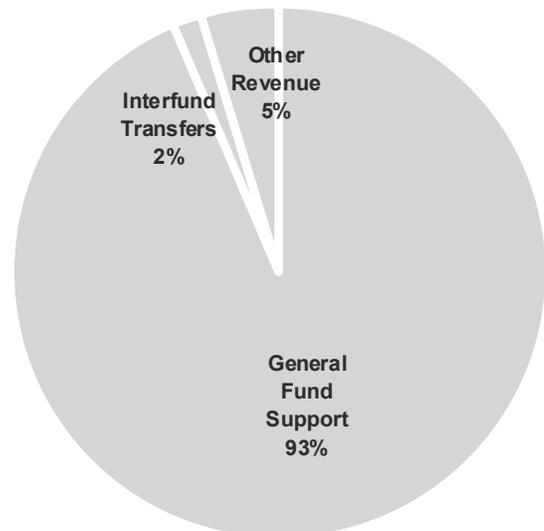
Advise, interpret, and implement the goals and policies of the Board of Supervisors through effective leadership and management of County services to achieve the County's vision of a safe, healthy, livable, prosperous, and well-governed community.

	2009-10	2010-11	2011-12	2011-12	2011-12
<u>Financial Summary</u>	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Intergovernmental Revenue	\$ 0	\$ 1,287	\$ 0	\$ 0	\$ 0
Charges for Current Services	124	20	124	124	124
Other Revenues	0	320	0	0	0
Interfund	<u>32,512</u>	<u>28,997</u>	<u>29,085</u>	<u>29,085</u>	<u>29,085</u>
**Total Revenue	\$ 32,636	\$ 30,624	\$ 29,209	\$ 29,209	\$ 29,209
Salary and Benefits	1,458,862	1,495,534	1,707,700	1,613,128	1,613,128
Services and Supplies	<u>216,731</u>	<u>108,537</u>	<u>183,584</u>	<u>203,084</u>	<u>203,084</u>
**Gross Expenditures	\$ 1,675,593	\$ 1,604,071	\$ 1,891,284	\$ 1,816,212	\$ 1,816,212
Less Intrafund Transfers	<u>99,476</u>	<u>85,000</u>	<u>85,000</u>	<u>85,000</u>	<u>85,000</u>
**Net Expenditures	\$ 1,576,117	\$ 1,519,071	\$ 1,806,284	\$ 1,731,212	\$ 1,731,212
General Fund Support (G.F.S.)	<u>\$ 1,543,481</u>	<u>\$ 1,488,447</u>	<u>\$ 1,777,075</u>	<u>\$ 1,702,003</u>	<u>\$ 1,702,003</u>

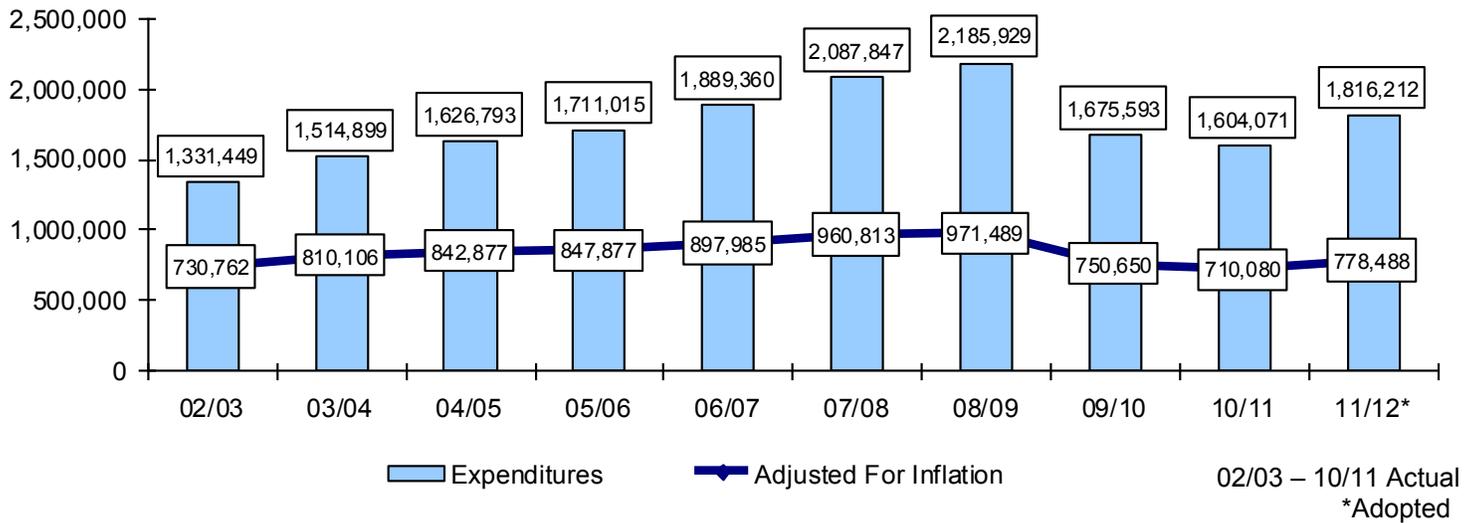
**Number of Employees
(Full Time Equivalent)**



Source of Funds



10 Year Expenditures Adjusted For Inflation



SERVICE PROGRAMS

The Administrative Office has a total expenditure level of \$1,816,212 and a total staffing level of 11.00 FTE to provide the following services.

Citizen Outreach/Support

Represents efforts geared toward connecting the public with county government. Includes activities such as surveying the community for feedback to improve performance, developing informative presentations and materials to improve communication with the public, and promoting technology to make county government more accessible (e.g., online access to county information, televised Board meetings, etc.).

Total Expenditures: \$120,000 Total Staffing (FTE): 0.50

Organization Support

Board of Supervisors: Provide high quality staff support to maximize Board effectiveness. Includes activities such as implementation of Board policy, sound financial planning through annual preparation and regular review of the County budget, labor relations, preparing the weekly Board agenda, responding to requests for information, and resolving citizen complaints, etc.

County Departments: Provide high quality staff support to maximize County department effectiveness. Includes activities such as providing policy analysis and guidance, troubleshooting, and keeping departments up to date on important issues.

Total Expenditures: \$1,646,212 Total Staffing (FTE): 10.00

Organizational Effectiveness

Represents efforts geared toward creating a high performance “results oriented” County organization. Includes activities such as promoting strategic planning, goal setting, and performance measurement throughout the organization and encouraging continuous improvement through a regular organizational review process (e.g. the organizational effectiveness cycle process).

Total Expenditures: \$50,000 Total Staffing (FTE): 0.50

DEPARTMENT COMMENTS

As an agent of the Board of Supervisors, the Administrative Office is responsible for implementing Board policies, coordinating the operations of County departments, and preparing the County's budget. In turn, the Administrative Office is also responsible for making recommendations to the Board of Supervisors which promote the efficiency and effectiveness of County operations. In addition to the day-to-day responsibilities and operations of the department, the Administrative Office continues to focus its resources on several major initiatives, including: an overhaul of the County's labor relations program, and improving communication with community stakeholders by enhancing the transparency of County government.

In FY 2009-10, the Administrative Office began to implement a new approach to the County's labor relations program by transferring the labor relations function back to Human Resources and forming a labor committee consisting of representatives from several departments. The County's new approach to labor relations places a focus on ensuring the long-term financial sustainability of labor agreements. As a result, the County's labor program currently endeavors to implement a second tier pension plan for new hires, share the burden of pension cost increases with employees, and reevaluate the way that employee salaries and subsequent salary increases are determined.

In recognition of the fact that productive public engagement can contribute to the effective administration of County services, the Administrative Office is also focused on enhancing communication with County residents and stakeholders. A variety of initiatives, including the creation of the County's first Annual Report in 2010 and updates to the budget document to enhance its readability and usefulness for the general public are geared towards encouraging more robust communication between County government and the community.

Following are some of the department's notable accomplishments for FY 2010-11 and some specific objectives for FY 2011-12:

FY 2010-11 Accomplishments

- Developed a new set of Organizational Values to better define how all employees and elected officials should conduct themselves as representatives of the County.
- Created the County's first-ever Annual Report to better educate and inform residents and stakeholders about the services and programs the County provides.
- Completed substantial updates to the budget document to reflect mandated changes to the State schedules and make budgetary information more accessible to the public and other interested readers.
- Participated in fiscal negotiations regarding the two new solar plants proposed for the Carrizo Plains to ensure the incremental costs of providing services to the facilities are covered.
- Worked with the newly established labor committee to implement a second tier pension plan for 75% of newly hired employees. The Tier 2 pension plan will save the County approximately \$17.5 million annually once all employees are in the second tier (in 20 to 30 years).

FY 2011-12 Objectives

- Lead communitywide redistricting efforts to incorporate the results of 2010 Census data to ensure balanced legislative representation.
- Continue to coordinate the programs and services provided by multiple departments to ensure that the County is able to provide vital services to residents despite budget cuts of \$76 million over the past 4 fiscal years.
- Continue implementation of a new automated agenda management software which will reduce the environmental impacts of producing Board agendas and save up to \$16,000 annually in paper costs.
- Continue to pursue the implementation of a second tier pension plan, pension cost sharing, and a new method for determining appropriate salary adjustments for County employees to ensure financial stability.
- Work with the State and Sheriff's Office to coordinate the construction of a new women's jail and jail medical facility, using \$25.1 million worth of State lease revenue bonds.

- Led budget process and created plans and recommendations for closing a \$11.3 million budget gap for FY 2011-12 that minimizes impacts to programs and services and meets the Board's priorities.
- Work with the Economic Vitality Corporation, the Board of Supervisors, and County Departments to help ensure successful implementation of the Countywide Economic Development Strategy.

COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS

The recommended level of General Fund support for this fund center is \$1,702,003, a reduction of \$53,133 or 3% from FY 2010-11 adopted levels. Salaries and benefits have been reduced by \$112,872 or 6%. This reduction was achieved through the elimination of a vacant 1.0 FTE Administrative Analyst position (\$94,572) that was previously designated to assist the labor relations program that now resides within Human Resources (FC 112). The remaining \$18,300 is the result of filling positions at lower salary levels. Services and supplies accounts have increased \$59,827 or 41% to provide funding for professional consultants to partially offset the loss of capacity due to the elimination of the Analyst position.

BOARD ADOPTED CHANGES

None.

GOALS AND PERFORMANCE MEASURES

1. Performance Measure: Ratio of General Fund backed annual debt service to the annual General Fund budget.						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
New Measure	2.9%	2.8%	3.4%	3.3%	2.6%	2.6%
What: This measure shows the ratio of the General Fund backed annual debt service to the annual General Fund budget.						
Why: This measure provides staff, the Board and public with information about the financial health of the County. The current goal is to keep the ratio below 5%. This measure is an industry standard that allows for a comparison amongst governmental entities.						
How are we doing? A ratio of under 5% is considered to be favorable by bond rating agencies. The ratio increased during FY 2009-10 due to the refinancing of Pension Obligation Bonds and a shrinking General Fund. The target for FY 2011-12 is projected to remain constant as none of the debt obligations are scheduled to be paid off, and no new debt is currently planned.						
Department Goal: To ensure the long-term financial stability of the County.						
Communitywide Result Link: A well-governed community.						
2. Performance Measure: Ratio of total contingencies and reserves to the County's General Fund operating budget.						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
New Measure	New Measure	New Measure	17.1%	17.8%	20.8%	20%
What: This measure shows how much money the County has in "savings" relative to our daily, ongoing expenses.						
Why: The measure provides staff, the Board and public with information on the financial health of the County. Our goal is to have a prudent level of savings that allows us to plan for future needs and "weather" economic downturns. The industry standard target is to have a 20% reserve/contingency as a percent of the operating budget.						
How are we doing? This measure reflects the total amount of contingencies and reserves that could be accessed by the General Fund (some contingencies and reserves are restricted in use and are not available for use in the General Fund). It is worth noting that while many of the reserves are technically available to be used by the General Fund, many are planned to be spent on various projects (e.g. Willow Road, new women's jail). This ratio increased in FY 2010-11 by 3% over adopted levels due to the return of the unused portion of a loan from the Tax Reduction Reserve by the airport.						
Department Goal: To provide high quality staff support in an effort to maximize the effectiveness of the Board of Supervisors.						

Communitywide Result Link: A well-governed community.							
3. Performance Measure: Percentage of Board members who respond to a survey indicating that Administrative Office staff provide satisfactory or better agenda support.							
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target	
100%	100%	100%	100%	100%	100%	100%	
<p>What: The County Administrative Office surveys the Board of Supervisors annually to determine their level of satisfaction with our staff support relative to the accuracy, readability, and overall quality of the agenda reports.</p> <p>Why: The information gained from this survey allows us to continuously improve staff support to the Board.</p> <p>How are we doing? Based upon results of the survey conducted in September 2010 the Administrative Office is meeting or exceeding the expectations of the Board members.</p>							
<p>Department Goal: To provide high quality staff support in an effort to maximize the effectiveness of County departments and the Board of Supervisors.</p> <p>Communitywide Result Link: A well governed community.</p>							
4. Performance Measure: Percentage of departments who respond to a survey indicating the Administrative Office staff provides satisfactory or better support services.							
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target	
100%	100%	N/A	98%	100%	98%	100%	
<p>What: The County Administrative Office surveys departments and the Board of Supervisors annually to determine their level of satisfaction with our staff support relative to accuracy, responsiveness, responsibility, timeliness and trustworthiness. The survey was revised to solicit additional feedback in FY 2010-11.</p> <p>Why: The information gained from this survey allows us to continuously improve our service to departments and the Board.</p> <p>How are we doing? Based upon results of the survey conducted in February 2011 the Administrative Office is providing satisfactory or better support services to departments.</p>							
<p>Department Goal: To create an environment whereby all employees feel valued and are proud to work for the County.</p> <p>Communitywide Result Link: A well-governed community.</p>							
5. Performance Measure: Percentage of employees that indicate in a biannual workforce survey overall satisfaction with their job.							
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target	
85%	Next Survey in FY 2008-09	Survey Delayed to FY 2009-10	TBD- Survey Delayed	TBD- Survey Delayed	TBD- Survey Delayed	TBD	
<p>What: The County Administrative Office administers a survey to all permanent County employees in order to gauge their overall level of satisfaction with their job.</p> <p>Why: This information will be used to help assess our organizational health and identify areas for improvement.</p> <p>How are we doing? The Employee Opinion survey was last administered in December 2006. Overall, a total of 1,452 usable responses were received – a 63% response rate. Of these, 1,346 employees (93%) indicated their level of agreement with the statement “I am satisfied with my job.” – 53% indicated that they strongly agreed with this statement, 32% somewhat agreed, 7% neither agreed or disagreed, 6% somewhat disagreed, and 2% strongly disagreed. Therefore, 85% of the County employees responding to this statement in the survey indicated they were satisfied with their job. The County’s goal is to sustain this high level of job satisfaction despite the financial challenges facing the County over the next few years, and the expected turnover due to retirement of our aging workforce. However, given staff and resource constraints, administration of the next Employee Opinion survey will be deferred (timing TBD).</p>							
<p>Department Goal: To create an environment whereby all employees feel valued and are proud to work for the County.</p> <p>Communitywide Result Link: A well-governed community.</p>							

6. Performance Measure: Full-time equivalent Administrative Office budget analyst staff per 1,000 county employees.

06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
1.56	1.54	1.55	2.45	2.45	2.49	2.49

What: This shows Administrative Office budget staffing per 1,000 county employees.

Why: This data can be compared with other Administrative Offices of similar characteristics to provide one measure of whether we are appropriately staffed for budget preparation and administration.

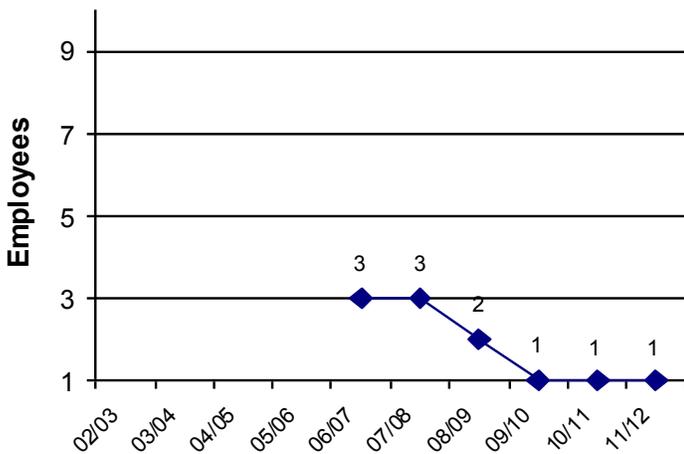
How are we doing? The total FTE budget analyst staffing levels per 1,000 employees for our comparable counties ranges from a high of 3.83 in Napa County to a low of 1.51 in Monterey County. This ratio increased In FY 2009-10 due to a reorganization that resulted in the downgrading of a Principal Analyst position to an Administrative Analyst position. The Principal Analyst position had not been part of this measure, and this restructuring resulted in an annual cost savings of approximately \$50,000. The average ratio of analysts per 1,000 employees was 2.23 for comparable counties, and 2.49 for San Luis Obispo County.

MISSION STATEMENT

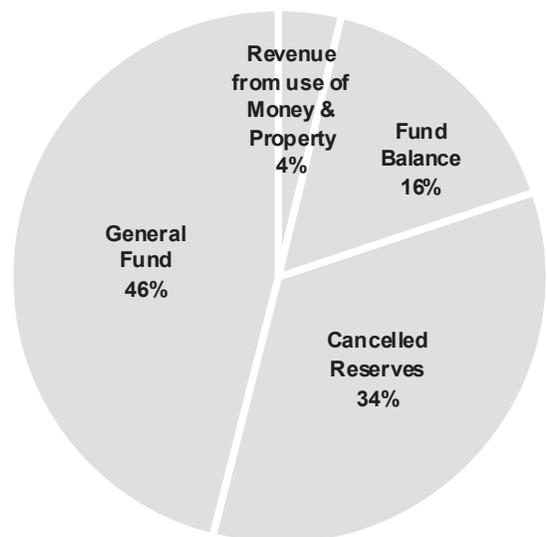
To continuously improve the quality and effectiveness of services provided to the public through strategic planning, organizational reviews, leadership development and staff training in support of the County's organizational goals and objectives.

	2009-10	2010-11	2011-12	2011-12	2011-12
<u>Financial Summary</u>	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Revenue from Use of Money & Property	\$ 15,218	\$ 7,686	\$ 20,000	\$ 20,000	\$ 20,000
Other Financing Sources	0	0	450,000	242,166	492,166
Total Revenue	\$ 15,218	\$ 7,686	\$ 470,000	\$ 262,166	\$ 512,166
Fund Balance Available	\$ 251,753	\$ 142,717	\$ 84,696	\$ 84,696	\$ 146,382
Cancelled Reserves	295,773	392,297	0	179,123	179,123
Total Financing Sources	\$ 562,744	\$ 542,700	\$ 554,696	\$ 525,985	\$ 837,671
Salary and Benefits	\$ 0	\$ 0	\$ 94,572	\$ 94,572	\$ 94,572
Services and Supplies	346,015	258,426	431,413	431,413	431,413
Other Charges	0	70,000	0	0	0
Fixed Assets	0	0	0	0	0
Gross Expenditures	\$ 346,015	\$ 328,426	\$ 525,985	\$ 525,985	\$ 525,985
Contingencies	0	0	0	0	0
New Reserves	52,944	38,422	28,711	0	311,686
Total Financing Requirements	\$ 398,959	\$ 366,848	\$ 554,696	\$ 525,985	\$ 837,671

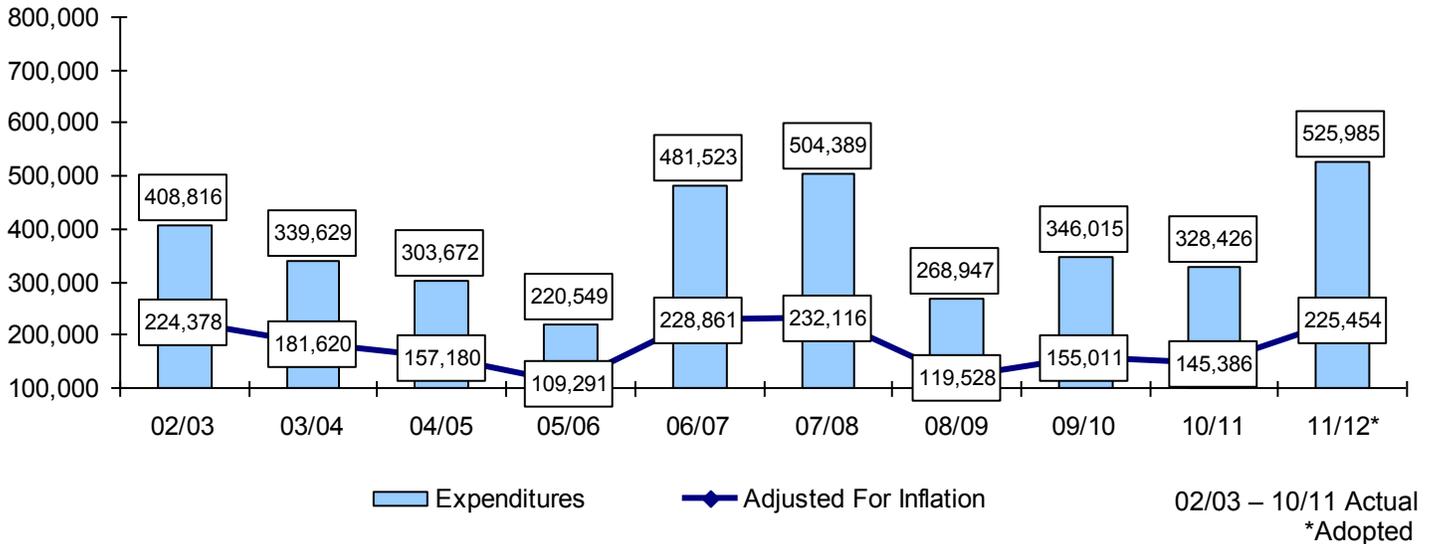
**Number of Employees
(Full Time Equivalent)**



Source of Funds



10 Year Expenditures Adjusted For Inflation



SERVICE PROGRAMS

Organizational Development has a total expenditure level of \$525,985 and a total staffing level of 1.0 FTE to provide the following services:

Organizational Development

Provides educational and career development for employees, as well as facilitation, mediation and specialized training for County departments.

Total Expenditures: \$525,985 Total Staffing (FTE): 1.00

COUNTY ADMINISTRATOR’S COMMENTS AND RECOMMENDATIONS

The Organizational Development program was established to develop and implement initiatives or services in support of a high performance organization. Past initiatives have included:

- Provided funding for an in-depth review of the current airport governance structure and recommendations for future airport governance for the San Luis Obispo County Regional Airport.
- Deployed core supervisory skill trainings relating to performance standards, performance measurement, and progressive disciplinary strategies.
- Contracted with Santa Barbara County’s Employee University to aid in the development and delivery of public service, ethics and leadership courses.
- Provided funding for specialized labor relations services to examine implementation of the prevailing wage ordinance and expand existing benchmark classifications to provide a more accurate representation of the market.

The recommended budget for FY 2011-12 includes \$242,166 in General Fund support. This fund center has not received any General Fund support since FY 2007-08, and has existed solely through the use of reserves and designations. These reserves and designations have been reduced from \$2.5 million in FY 2007-08 to a recommended level of \$1.4 million for FY 2011-12.

\$179,123 in canceled reserves will be used in addition to the General Fund support to provide a total appropriation level of \$525,985. This is a decrease of \$49,029 or 8% from FY 2010-11 adopted levels.

- Approximately \$160,000 is allocated for consultants who conduct various training sessions.

- Approximately \$210,000 is allocated for HR and Administrative Office staff who support these programs.
- \$55,000 is allocated to reimburse County employees for tuition expenses incurred via external training programs.
- Approximately \$80,000 is allocated for services relating to departmental reorganizations and training.
- The balance of funds are allocated for equipment and supply costs.

BOARD ADOPTED CHANGES

The General Fund, Fund Balance Available was \$4.95 million higher than budgeted. As a result, \$250,000 of the \$4.95 million was allocated to the Countywide Training Designation within the Organizational Effectiveness fund. Also, there was an additional Fund Balance Available of \$61,686 in this fund, which increased the Countywide Training Designation by \$55,000 and the General Reserves by \$6,686. This will result in a balance of \$396,052 in General Reserves and \$1,342,919 in the Countywide Training Designation for a total of \$1,720,971 in reserves and designations in the Organizational Effectiveness fund.

GOALS AND PERFORMANCE MEASURES

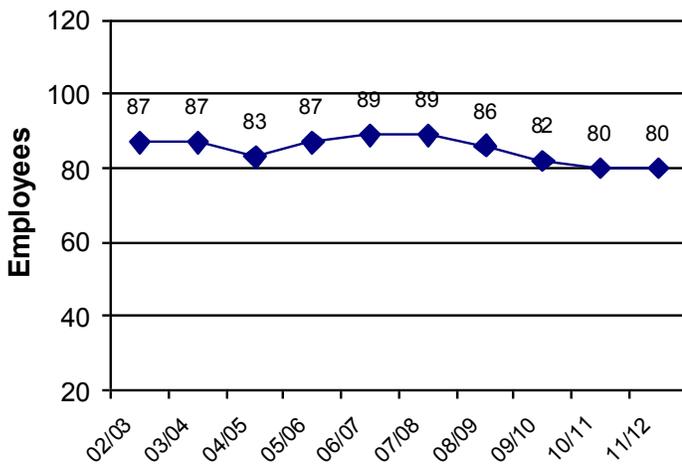
Department Goal: To ensure that training opportunities aimed at creating a competent, results-oriented workforce are made available to County employees.						
Communitywide Result Link: A well-governed community.						
1. Performance Measure: Overall average participant satisfaction rating (on a 5 point scale) of training programs offered by the Employee University.						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
4.5	4.5	4.6	4.6	5	4.6	4.6
What: Provides data on participant overall satisfaction with Employee University training courses (on a scale of 1-5 with 1 = "poor" and 5 = "outstanding"). This is the first level of program evaluation.						
Why: This data provides information on how satisfied participants are with the training programs offered by the Employee University.						
How are we doing? Current results indicate that overall, County employees who participated in these classes are highly satisfied with the classes they attended.						

MISSION STATEMENT

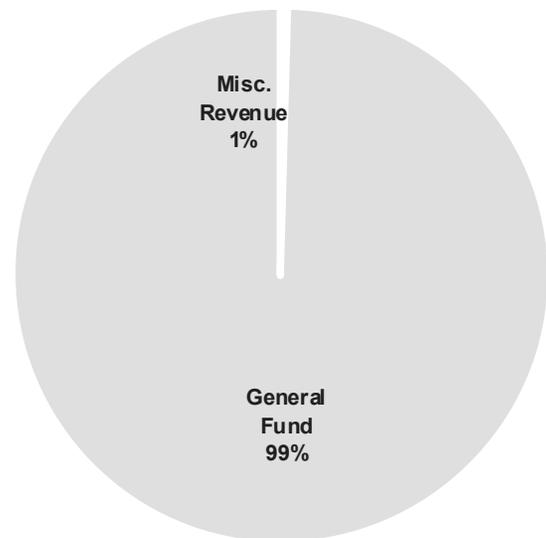
The Assessor and staff seek excellence in providing information, services, and accurate property assessments through our personal commitment to integrity, mutual respect, and teamwork.

	2009-10	2010-11	2011-12	2011-12	2011-12
<u>Financial Summary</u>	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Intergovernmental Revenue	\$ 427	\$ 465	\$ 2,000	\$ 8,437	\$ 8,437
Charges for Current Services	39,384	16,691	23,000	23,000	23,000
Other Revenues	125	899	0	0	0
Interfund	500	622	0	0	0
**Total Revenue	\$ 40,436	\$ 18,677	\$ 25,000	\$ 31,437	\$ 31,437
Salary and Benefits	7,649,166	7,441,529	7,823,949	7,773,949	7,773,949
Services and Supplies	723,353	744,491	782,357	725,641	725,641
Fixed Assets	0	0	15,000	7,500	7,500
**Gross Expenditures	\$ 8,372,519	\$ 8,186,020	\$ 8,621,306	\$ 8,507,090	\$ 8,507,090
Less Intrafund Transfers	1,685	24	0	0	0
**Net Expenditures	\$ 8,370,834	\$ 8,185,996	\$ 8,621,306	\$ 8,507,090	\$ 8,507,090
General Fund Support (G.F.S.)	<u>\$ 8,330,398</u>	<u>\$ 8,167,319</u>	<u>\$ 8,596,306</u>	<u>\$ 8,475,653</u>	<u>\$ 8,475,653</u>

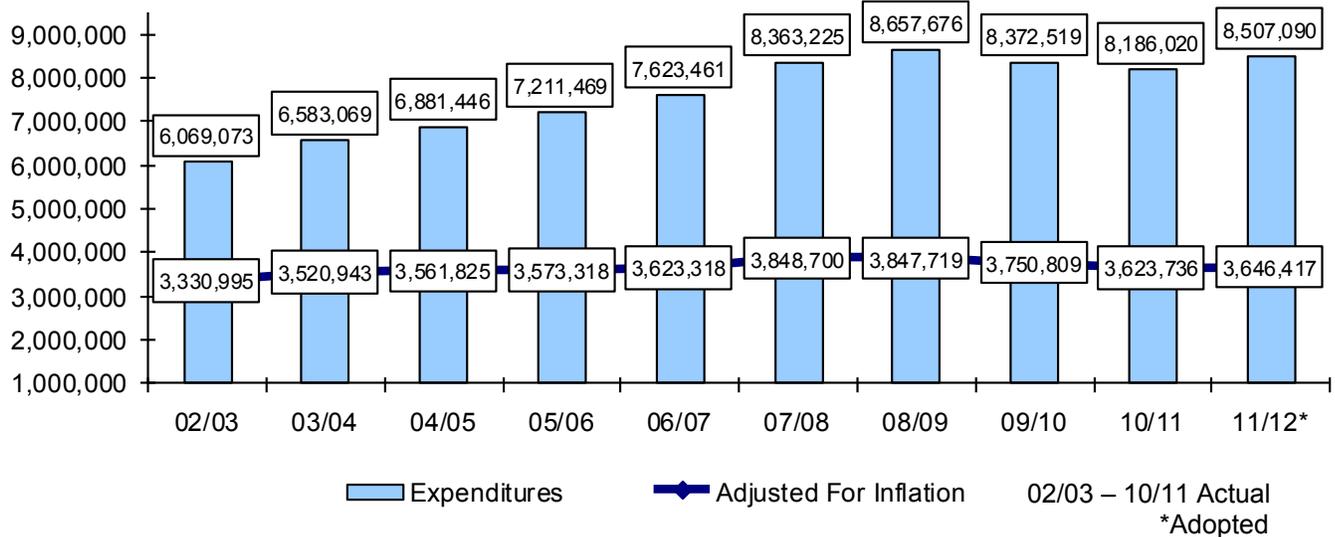
**Number of Employees
(Full Time Equivalent)**



Source of Funds



10 Year Expenditures Adjusted For Inflation



SERVICE PROGRAMS

The Assessor has a total expenditure level of \$8,507,090 and a total staffing level of 80.00 FTE to provide the following services:

Administration

Oversee the preparation of all property assessments, manage human resource functions and issues, coordinate office operations, develop and monitor the department's budget, coordinate accounts payable and payroll.

Total Expenditures: \$765,638 Total Staffing (FTE): 6.00

Assessment Valuation, Reviews, and Appeals

Review and assess the value of secured real property (i.e. land and buildings) when there is a change in ownership, new construction, decline in market value, disaster relief, and other appraisal events; and update property attributes. Review, audit, and assess the value of unsecured business property (i.e. business equipment, boats, aircraft, etc.). Review, process, track and make recommendations to the Assessment Appeals Board for all assessment appeals submitted by property owners.

Total Expenditures: \$4,168,474 Total Staffing (FTE): 33.00

Assessment Standards/Automation

Analyze and track legislation pertaining to property taxes; develop and implement procedures upon passage of new legislation; compile and deliver internal and state mandated reports to appropriate agencies; oversee training for staff; implement and monitor the automated systems within the Assessor's office.

Total Expenditures: \$765,638 Total Staffing (FTE): 8.00

Public Service

Provide information to the public regarding property assessments and property tax laws in person, over the telephone, and by written communication including pamphlets, public service announcements, the Internet, and annual notifications, etc.

Total Expenditures: \$340,284 Total Staffing (FTE): 6.00

Roll Preparation

Update and maintain property assessment records. This includes creating and maintaining property parcel maps, verifying and updating ownership data when property ownership is altered, maintaining exemptions, updating valuation data, processing revised assessments, maintaining the supplemental tax records, and other functions.

Total Expenditures: \$2,467,056 Total Staffing (FTE): 27.00

DEPARTMENT COMMENTS

The Assessor is constitutionally responsible for locating taxable property, identifying ownership, and determining the value of real and business personal property within the County of San Luis Obispo. In addition, the Assessor is mandated to complete an annual assessment roll reporting the assessed values for all properties within the County.

Other mandates include administering exemptions that have been established by law to benefit homeowners, senior citizens, charitable organizations, churches, and disabled citizens. The Assessor must also maintain a current mapping and ownership database for the benefit of the general public, business community, and government.

The Assessor and his staff remain committed to meeting these legal mandates and providing information, services, and accurate property assessments to the citizens of San Luis Obispo County. However, the down economy has impacted the workload for the office, causing an increase in the number of decline in value assessment requests and assessment appeals that must be processed and resolved by staff. The increased workload and limited resources continue to present a major challenge and make it difficult for staff to meet legal mandates.

Following are some of the department's notable accomplishments for FY 2010-11 and some specific objectives for FY 2011-12:

FY 2010-11 Accomplishments

- Met annual continuing education requirements for all certified staff by developing in-house training courses and participating in WebEx courses.
- Resolved 252 assessment appeals as of March 25, 2011, successfully defending \$28,124,630 worth of value to the assessment role.
- Completed decline in value reviews for over 44,000 properties, of which over 32,000 provided property owners tax relief for FY 2010-11 in accordance with state mandates.
- Updated 60% of property attributes to provide more accurate property descriptions and ensure the quality of the valuation processes.
- Developed and implemented performance standards for line staff and supervisors. The standards are tied to quarterly section goals designed to complete the assessment roll in compliance with legal mandates.

FY 2011-12 Objectives

- Continue efforts to assist staff in meeting mandated continuing education requirements for valuing property.
- Continue to streamline the appeals procedures in order to timely resolve outstanding appeals. As of March 2011, there are approximately 500 unresolved assessment appeals with \$750,000,000 of assessed value at risk. It is anticipated that the number of assessment appeals will increase substantially during the 2011 filing period, possibly doubling this number.
- Continue to closely monitor workloads and production to avoid backlogs and ensure accurate and timely assessments within the limitations of available resources while addressing the increasing decline-in-value review workload.
- Upgrade the Property System to produce the assessment roll in an efficient and cost effective manner.
- Continue efforts to reduce paper consumption and file space by storing documents electronically.

- Complete and implement performance standards for management staff.
- Continue efforts to streamline and automate assessment processes.

COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS

The level of General Fund support for this budget is recommended to decrease \$6,921 or less than 1% compared to the FY 2010-11 adopted level. Revenues are recommended to increase \$437 or 1% and total expenditures are recommended to decrease \$6,484 or less than 1%.

Salary and benefits are decreasing \$2,053 or less than 1%. While the department has budgeted for regular step increases in FY 2011-12, those increased salary expenses will be offset by \$50,000 worth of voluntary time off (VTO) that department staff has pledged to take throughout the fiscal year. The VTO that staff has agreed to take equates to 1,736 hours which is equal to the productive hours of one full-time position. As the department discusses above, the number of decline in value assessment requests and assessment appeals that must be processed and resolved by staff continues to increase in the down economy. The reduction in capacity due to VTO will decrease productivity throughout the entire office and will place \$3,500,000 worth of assessed value (which equates to \$8,400 worth of property tax revenue to the County) at risk.

Services and supplies are decreasing by \$11,931 or 1%. Several services and supplies accounts are increasing, including postage, which is recommended to increase \$27,500 to resume the mailing of assessment notices in an effort to provide property owners with adequate advance notice about any changes to their assessed value. To offset increases, the following reductions are recommended by account: maintenance contracts decreasing by \$20,000, office expenses decreasing by \$5,000, significant value purchases decreasing by \$24,000, equipment maintenance decreasing by \$1,100 and travel expenses decreasing by \$2,500. These reductions largely bring the accounts to the minimum levels needed to support departmental operations. A notable service level impact due to the recommended reductions is that the \$20,000 reduction to maintenance contracts will impact the department's ability to update its Assessment Evaluation Services system to enable it to interface with other office software used by department staff when completing appraisal and assessment evaluations on properties. Without the system updates, real time information about parcel and other Geographic Information System (GIS) data will not be readily available to staff which will increase the time it takes to complete assessment appeal reviews.

Fixed assets are recommended at \$7,500, an increase of \$7,500 compared to FY 2010-11 adopted levels, to replace one of two copiers in the office that is becoming unusable.

BOARD ADOPTED CHANGES

None.

GOALS/PERFORMANCE MEASURES

Department Goal: To levy fair and equitable assessments on taxable property in an accurate and timely manner by using accepted appraisal principles and prevailing assessment practices.

Communitywide Result Link: A well-governed community.

1. Performance Measure: Percentage of the assessment roll completed by June 30th of each year.

06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
97%	98%	98%	96%	95%	97%	95%

What: Measures the percentage of assessments that are appraised before the June 30th deadline.

Why: Incomplete assessments will generate inaccurate tax bills. When assessments are completed after the year-end deadline, the Assessor, Auditor-Controller, and Tax Collector must process revised assessments and tax bills. These revisions increase the costs of preparing the assessment roll and the costs associated with property taxes. In addition, property owners are inconvenienced by revisions to their assessments and the associated delays.

How are we doing? Work items for the Assessor's office continued to increase. The decline in value reviews are a legal mandate, and were a significant portion of the assessment roll workload. Staff reviewed over 56,000 assessments for potential reductions in assessed value. This is a 27% increase over the prior year. By utilizing the Assessment Evaluation Services (AES) program we were able to exceed the targeted projection for the assessment roll completion by 2%.

2. Performance Measure: The number of completed assessments per appraiser on staff.

06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
2,183	2,561	3,044	3,072	3,000	3,603	3,000

What: This measurement tracks the workload per appraiser from year to year.

Why: Tracking changes in workload is an indicator of changes in production levels as new procedures or automated systems are introduced, and helps to evaluate the efficiency of departmental procedures and service to the public.

How are we doing? Increased productivity is the result of streamlining procedures and implementing new automation during the past few years. Staff's proficiency with the new automation and procedures is apparent in the substantial increase in the number of completed assessments. We exceeded our projected goal for FY 2010-11 by 603 work items per appraiser.

Department Goal: To provide high quality services to the public and taxpayers.

Communitywide Result Link: A Well-Governed Community.

3. Performance Measure: The number of assessment appeals filed for every 1,000 assessments.

06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
.52	.78	1.8	1.8	2.4	2.96	4.5

What: When property owners disagree with their property's assessed value, they may file for an assessment appeal hearing before the Assessment Appeals Board. The number of real property appeals is used as an indicator of accuracy and equity among assessments. A low number of appeals is associated with a greater degree of accuracy and the property owner's satisfaction with their assessments.

Why: The Assessor strives to make accurate and thorough assessments when property is initially valued in an effort to control the costs associated with producing the assessment roll. This measure enables the department to track the accuracy and equity among assessments.

How are we doing? According to the State Board of Equalization (BOE) "Report on Budgets, Workloads, and Assessment Appeals Activities" San Luis Obispo County has historically had the lowest number of assessment appeals filed compared to 11 similar counties. The most recent BOE report was published in January 2011 and details data from FY 2009-10. This report again showed San Luis Obispo County to have the lowest number of assessment appeals filed per 1,000 assessments. The primary cause for the FY 2010-11 increase in the number of assessment appeals filed was the decline in market values. For FY 2010-11 the actual number of appeals filed increased by 64% from the prior year.

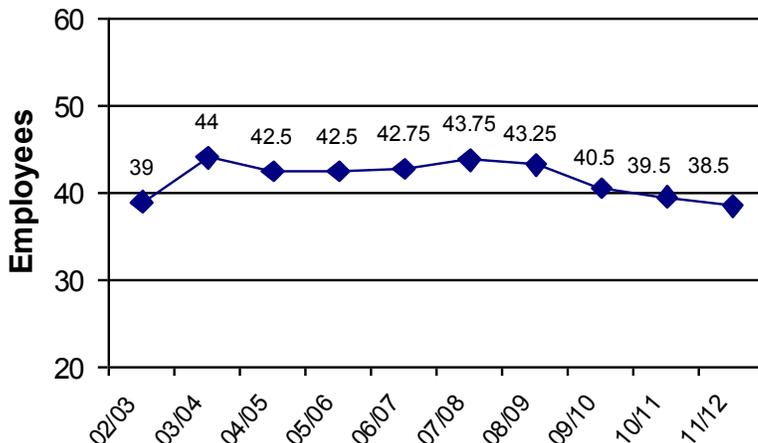
4. Performance Measure: Cost per assessment.						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
\$42.22	\$45.89	\$47.33	\$46.01	\$49.00	\$45.08	\$49.00
<p>What: This measures the cost per assessment by dividing the department's level of General Fund support by the total number of assessments.</p> <p>Why: The Assessor's Office strives to make the most effective use of all available resources in order to produce assessments at a reasonable cost.</p> <p>How are we doing? The State Board of Equalization's "Report on Budgets, Workloads, and Assessment Appeals Activities" for FY 2009-10 (published in January 2011) indicates the San Luis Obispo County Assessor's costs were within range of 11 similar counties. During that time period, the cost per assessment for the 11 similar counties ranged from \$27 to \$63 per assessment; San Luis Obispo's cost was \$46.01. The State Board of Equalization's report for FY 2010-11 will not be available until January 2012.</p> <p>After the performance measures were submitted for FY 2010-11, the Board of Supervisor's adopted a cut budget which caused the projected cost per assessment to be overstated. In addition there were substantial salary savings during the year due to unanticipated retirements. Fortunately, staff was able to utilize automation (such as the Assessment Evaluation Services program) to gain efficiencies and offset the loss of resources.</p>						

MISSION STATEMENT

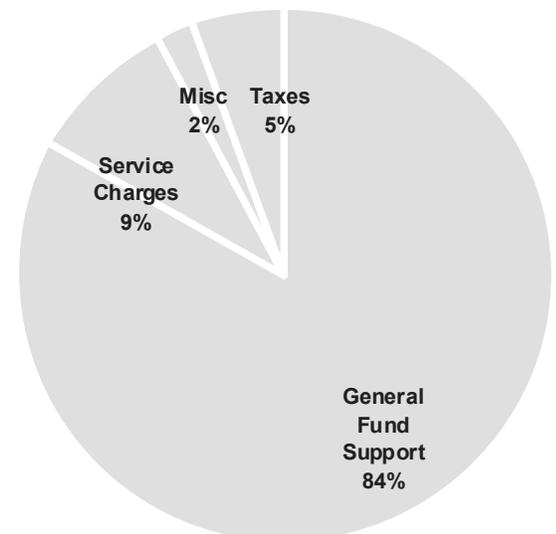
The Auditor-Controller is the Chief Accounting Officer for County Government. The office enhances the public's trust by acting as a guardian of funds administered for the County, cities, schools and special districts and by providing an independent source of financial information and analysis.

	2009-10	2010-11	2011-12	2011-12	2011-12
<u>Financial Summary</u>	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Taxes	\$ 250,000	\$ 250,000	\$ 360,000	\$ 250,000	\$ 250,000
Fines, Forfeitures and Penalties	7,849	31,146	26,200	26,200	26,200
Intergovernmental Revenue	25,109	18,093	17,000	17,000	17,000
Charges for Current Services	371,878	437,171	452,308	417,308	417,308
Other Revenues	12,632	11,068	30,300	30,300	30,300
Other Financing Sources	112,020	0	0	0	0
Interfund	30,000	30,000	30,000	30,000	30,000
**Total Revenue	\$ 809,488	\$ 777,478	\$ 915,808	\$ 770,808	\$ 770,808
Salary and Benefits	4,261,507	4,249,658	4,609,704	4,416,937	4,416,937
Services and Supplies	354,173	280,611	268,420	198,120	198,120
Other Charges	45,000	0	0	0	0
Fixed Assets	84,701	29,890	0	0	0
**Gross Expenditures	\$ 4,745,381	\$ 4,560,159	\$ 4,878,124	\$ 4,615,057	\$ 4,615,057
Less Intrafund Transfers	10,887	20,760	9,400	9,400	9,400
**Net Expenditures	\$ 4,734,494	\$ 4,539,399	\$ 4,868,724	\$ 4,605,657	\$ 4,605,657
General Fund Support (G.F.S.)	<u>\$ 3,925,006</u>	<u>\$ 3,761,921</u>	<u>\$ 3,952,916</u>	<u>\$ 3,834,849</u>	<u>\$ 3,834,849</u>

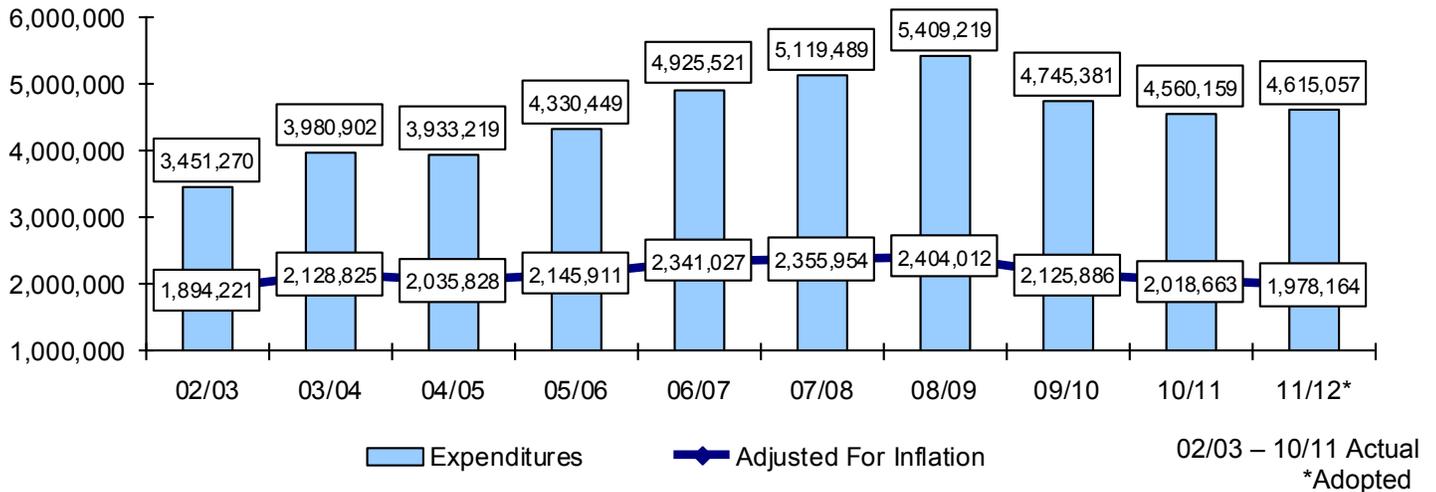
**Number of Employees
(Full Time Equivalent)**



Source of Funds



10 Year Expenditures Adjusted For Inflation



SERVICE PROGRAMS

The Auditor-Controller’s Office has a total expenditure level of \$4,615,057 and a total staffing level of 38.5 FTE to provide the following services:

Accounts Payable

Pre-audit all claims for payments to vendors submitted by County departments and process payments for special districts. Coordinate payment activity with and provide oversight and direction to departments and vendors. Prepare annual reports required by the State and the Internal Revenue Service.

Total Expenditures: \$431,727 Total Staffing (FTE): 5.00

Internal Audit Division

Perform mandated internal audits for compliance with State and Federal requirements. Ensure adequacy of internal controls over cash and County assets. Conduct management and compliance audits and departmental reviews. Audit the operations of public agencies doing business with the County to ensure compliance with policy; assist with the preparation of the County’s annual financial statement.

Total Expenditures: \$772,848 Total Staffing (FTE): 6.00

Budget and Cost Accounting

Assist the County Administrator and Board of Supervisors in developing the proposed and final County budget. Analyze and forecast annual budget expenditures. Review all county fees. Conduct rate reviews for ambulance, landfill, and internal service fund operations. Prepare countywide cost allocations, state mandated program claims, indirect cost rate proposals and special reporting requests.

Total Expenditures: \$212,588 Total Staffing (FTE): 1.25

Deferred Compensation Plan

Provide the resources necessary for the daily operation of the County Deferred Compensation Plan.

Total Expenditures: \$35,000 Total Staffing (FTE): 0.00

Financial Reporting

Maintain accounting records for the County and those districts whose funds are kept in the County Treasury. Maintain budget and funds controls and records of fixed assets. Prepare annual financial reports and reports for Federal and State reimbursement; act as Auditor and/or Financial Officer for special districts, boards, authorities, etc. and provide accounting services for countywide debt financing.

Total Expenditures: \$903,280 Total Staffing (FTE): 7.50

Payroll Processing

Prepare and process biweekly payroll for the County. Coordinate payroll activity with departments and employees. Prepare biweekly, monthly, quarterly, and annual reports for State, Federal, and local agencies. Collect and pay premiums for County-related health and insurance benefits.

Total Expenditures: \$1,003,595 Total Staffing (FTE): 8.75

Property Tax Processing

Calculate property tax rates and determine extensions. Process changes to the tax roll. Apportion and distribute taxes and special assessments to all agencies. Prepare tax reports. Implement procedural changes to reflect new legislation affecting the tax system. Advise cities, schools, and special districts on tax-related matters.

Total Expenditures: \$402,300 Total Staffing (FTE): 3.75

Systems Support

Evaluate existing manual accounting systems and make recommendations for improved efficiencies through automation. Maintain the countywide computerized financial, fixed asset, accounts payable, tax, and payroll systems. Assist departments in updating computerized systems. Provide training and prepare manuals related to accounting systems operations. Maintain operation of the Auditor's Local Area Network (LAN) and Personal Computer (PC) network.

Total Expenditures: \$853,719 Total Staffing (FTE): 6.25

DEPARTMENT COMMENTS

The Auditor-Controller has primary responsibility for all accounting and auditing functions of County Government. This includes all funds, departments, and special districts under the governance of the Board of Supervisors.

As Chief Accounting Officer for County Government, the Auditor-Controller faces the challenging task of covering a vast range of daily tasks with fewer staff while remaining responsive to emerging needs associated with new mandates, programs, and legislation. In addition to day-to-day operations, staff must be available to work on special projects related to legislative changes that affect revenue distributions and reporting requirements, debt issuances, new employee bargaining units, negotiated wage/benefit increases, pension contribution rate changes, and special audits.

A restructure in state government is likely to create additional demands on Auditor's Office staff. Funding shifts through realignment, changes in property tax distribution formulas, and changes in personal income tax rates are just a few of the areas the Governor has targeted for change.

The following are some of the department's notable accomplishments for FY 2010-11 and some specific objectives for FY 2011-12.

FY 2010-11 Accomplishments

- Implemented multiple payroll system enhancements. This included memorandum of understanding changes for various bargaining units such as San Luis Obispo County Employees Association (SLOCEA), San Luis Obispo County Sheriffs Management Association (SLOCSMA), and Association of San Luis Obispo County Deputy Sheriffs (ASLOCDS). In addition, completed programming changes to accommodate Tier II Pension Plan requirements and a 2% reduction in employee paid FICA.
- Configured system to process payroll for outside agencies. Contracted with Air Pollution Control District (APCD) for this service.
- Worked with Information Technology and the County Administrative Office to update the financial statements (AKA blue pages) in the County Budget. The revised format meets new requirements of the State Budget Act.
- Led project to create new e-form for budget adjustment requests (BARs). The new time-saving process is paperless and reduces storage requirements.
- Completed enhancements to the Enterprise Financial System that enable users to attach files to entry documents for wire transfers and BARs using Integrated Document Management (IDM).

FY 2011-12 Objectives

- Develop a process to post actual labor costs to the cost accounting module (CO) in the County's Enterprise Financial System. The conversion from estimated to actual labor costs in CO will simplify project reporting and eliminate the need to monitor and adjust labor rates in the system.
- Move the property tax system from the mainframe to another host platform using a process known as "lift and shift". It is anticipated the County will save between 50% to 70% by replicating the mainframe environment on a new lower cost platform.
- Participate in discussions related to a new solar power plant project that is coming to the County. Provide advice on sales tax issues.
- Assist Probation with the selection of a new collections system for court ordered fines and restitution. The new system will facilitate the collection and distribution of fines and restitution in accordance with statutory requirements.
- Perform audits of franchise fees and utility companies. Review for compliance with County contracts and legal requirements.

COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS

General Fund support for FY 2011-12 is recommended to decrease slightly, less than .5% or \$18,692, from FY 2010-11 adopted levels. Overall, revenues are decreasing by 2% or \$21,573 from FY 2010-11 levels. Decreases in SB90 State Mandated revenue (47% or \$12,500) and Administrative Services (21% or \$59,513) contribute to the overall decrease in revenue. Changes to specific revenue within Administrative Services vary according to the source. For example, revenue received from the redevelopment administrative fee and debt service is decreasing by 28% (or \$7,000) and 17% (or \$5,000) respectively while the accounts payable administrative fee charged to the Air Pollution Control District (APCD) is increasing by approximately \$4,400 to \$37,487 as compared to FY 2010-11 amounts. Additionally, \$8,000 in revenue is being budgeted to be received from APCD for payroll services. 1915 Bond Act Assessment revenue is increasing by \$21,000 due to the collection of the Los Osos sewer assessments anticipated to begin in FY 2011-12.

Overall, expenditures are decreasing by \$40,265 (less than 1%) from FY 2010-11 adopted levels. Salary and benefit accounts are decreasing by 1% or \$51,254 as compared to FY 2010-11. This decrease is the result of various adjustments for promotions, and funding two vacant positions, Auditor-Analyst Trainee and Account Clerk, for six (6) months and the elimination of a vacant Administrative Assistant position. Voluntary Time Off in the amount of \$24,258 also contributes to the overall decrease.

Services and supplies accounts are increasing by 5% or \$10,489 from FY 2010-11 amounts primarily due to increases in significant value purchases (\$4,200) attributed to budgeting for two (2) new computers and postage matrix charges (\$4,243, or 22%). The majority of the other service and supply accounts either decreased or are recommended at FY 2010-11 levels. The service level impacts associated with the recommended budget are anticipated to be minimal. As noted above, an Auditor-Analyst position is only funded for six (6) months. There may be some impacts to the development and implementation of training courses related to Enterprise Financial System (EFS) and SAP if the department is unable to fill this position.

BOARD ADOPTED CHANGES

None.

GOALS AND PERFORMANCE MEASURES

Department Goal: Provide periodic review of the internal controls of County departments to ensure compliance with policies and procedures, and minimize losses from fraud or misappropriation.						
Communitywide Result Link: A well-governed community.						
1. Performance Measure: Number of reviews, special district audits, trust fund reviews, and grant compliance audits performed for County departments.						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
31	30	19	25	21	17	21
What: The Internal Audit Division reviews the various offices, funds, and programs each year. Selection is made based on legal mandates, and measures of risk, such as dollar value, complexity, and/or the existence (or lack) of other checks and balances.						
Why: The reviews and audits help to minimize or prevent losses from fraud, waste, and abuse; and from non-compliance with program funding requirements. Since department managers are often unaware of their department's selection for a detailed audit in any particular year, this serves as a deterrent for lax internal controls.						
How are we doing? The Audit staff is currently comprised of three staff auditors performing cash, departmental, compliance, and State mandated audits and a Chief Auditor performing review and research duties. Actual audit results were lower than estimated due to several audits being more complex than originally anticipated and consequently requiring additional staff time. In addition to audits, the Audit staff monitors and corrects errors in the State allocation of sales tax. The Internal Audit Division also monitors sub-recipients of the Workforce Investment Act for proper accounting methods, authorized expenditures, and services provided; calculates and prepares the Local Agency Formation Commission (LAFCO) billing to the various special districts and cities within the county. They also prepare and submit the County's Financial Transaction Report to the State, and take the lead in preparing the Comprehensive Annual Financial Report. Audits and other reports prepared by the Audit staff are submitted to the Board of Supervisors and available to the public for comment.						
2. Performance Measure: Number of concessionaire, bed tax, or service provider audits completed.						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
17	24	16	16	14	16	16
What: Selected concessionaires, hotels, and major contracted service providers are audited on a rotating basis so that they can expect to be studied once every three or four years. Hotels and most concessions pay the County based on percentages of gross receipts, and many contractors are paid based on counts of eligible services provided.						
Why: These audits help to ensure the County is receiving all the revenue it is entitled to, and payments are made for services actually received. In addition, we try to maintain a level playing field so local businesses pay no more or less than their fair share under the law, and are properly compensated when contracting with the County.						
How are we doing? The number of audits increased from the prior year due to an additional auditor reassignment. Audit staff focused on concessionaire and Transient Occupancy Tax audits in FY 2010-11. We believe maintaining an audit presence helps create an even balance in the community. In addition, the staff began reviewing service providers' compliance with contracts to the County. In this way, service providers are properly compensated and the County receives the full spectrum of services purchased. Audits and other reports prepared by the audit staff are submitted to the Board of Supervisors and available to the public for comment.						

Department Goal: Maintain the financial health of the County by developing effective annual budgets, accurately identifying expenditures, and ensuring recovery of revenues from state and federal sources.						
Communitywide Result Link: A well-governed community.						
3. Performance Measure: A favorable audit, by the State Controller's Office, of reimbursable costs allocated through the Countywide Cost Allocation Plan, prepared in accordance with Federal regulations.						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
Audit with no exceptions	Audit with no exceptions	Audit with no exceptions	Audit with no exceptions	Audit with no exceptions	Audit with no exceptions	Audit with no exceptions
What: State and Federal agencies allow for County's overhead cost reimbursement through numerous programs and grants. The Countywide Cost Allocation Plan is a tool used to distribute overhead costs to programs and departments within the County.						
Why: The County is reimbursed for overhead costs.						
How are we doing? The State Controller's Office performed an audit of the FY 2010-11 County Cost Allocation Plan. There were no findings or adjustments as a result of the audit.						
Department Goal: Provide timely and accurate financial information for the public, Board of Supervisors, and County departments.						
Communitywide Result Link: A well-governed community.						
4. Performance Measure: Earn a clean auditor's opinion on the Comprehensive Annual Financial Report (CAFR).						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
1	1	1	1	1	1	1
What: A clean opinion from outside auditors measures the reliability, integrity and accuracy of the information presented in the County financial statements.						
Why: Provides assurance to the public, investors and others that the County's financial position is presented fairly and accurately.						
How are we doing? The external auditors have completed their annual audit of the FY 2009-10 fiscal year's financial statements and have issued unqualified or clean opinions. The review of the County's financial statements is required to be done and submitted to the State Controller's Office by December 31 following the end of each fiscal year. Actual results for the FY 2010-11 Audit report will not be known until the end of the calendar year.						
Department Goal: Insure that all automated accounting systems designed to provide easy access to relevant data are maintained with adequate internal controls and audit trails.						
Communitywide Result Link: A well-governed community.						
5. Performance Measure: Percentage of County users that receive annual workshop training sessions on automated financial management, human resource/payroll and budget preparation systems.						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
100%	85%	85%	85%	85%	85%	85%
What: This measures our desire to be certain County users know what systems and information are available and how to use them.						
Why: County users will know what information is available and how to retrieve it given adequate training.						
How are we doing? The Auditor's Office continued to offer workshops in various specialized areas such as the budget preparation system, the cash handling and contract accounting handbooks, and year-end procedures. The Auditor's Office also offers workshops as needed for newly created SAP reports or other subject matters at departments' request. In FY 2010-11, a variety of EFS Financial training courses were held including Basic Financial Reporting, Departmental Requisitioning and Receiving, Departmental Cost Accounting, Departmental Accounts Payable, and Departmental funds Management & General Ledger.						
Department Goal: Provide high quality, cost effective Auditor-Controller services.						
Communitywide Result Link: A well-governed community.						

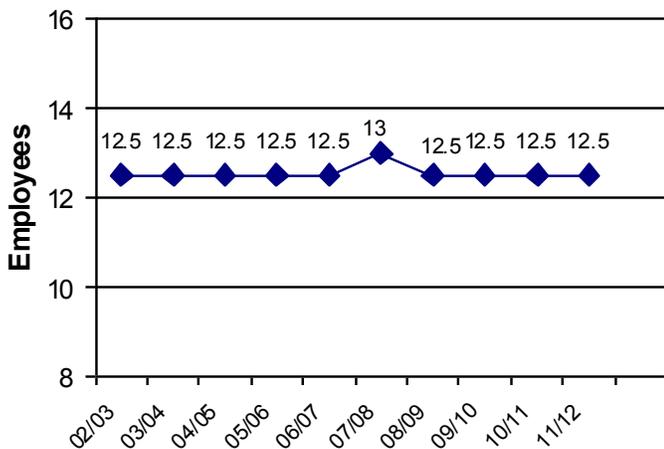
6. Performance Measure: Auditor Controller staff per 100 County employees.						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
1.5	1.7	1.7	1.6	1.6	1.6	1.6
<p>What: This shows Auditor Controller staffing levels per 100 county employees.</p> <p>Why: This data can be compared with Auditor-Controller offices of similar characteristics to provide one measure of whether we are appropriately staffed.</p> <p>How are we doing? Staffing levels per 100 employees for our comparable counties (6 counties surveyed) ranged from a low 1.0 in Monterey County to a high of 1.6 in both Napa and San Luis Obispo counties. The Auditor's Office maintains levels slightly above the average of 1.4, but within the range of our comparable counties. It is evident our comparable counties continue to face financial challenges as the number of full time equivalent (FTEs) continue to decline.</p>						
<p>Department Goal: 100% of legal mandates should be implemented within established deadlines.</p> <p>Communitywide Result Link: A well-governed community.</p>						
7. Performance Measure: Percentage of legal mandates implemented within established deadlines.						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
N/A	N/A	100%	100%	100%	100%	100%
<p>What: Monitor State and Federal legislation regularly in order to keep updated with changes to current mandates and new mandates.</p> <p>Why: So that a proactive response to implement changes to current mandates and new mandates is seamless and timely.</p> <p>How are we doing? During FY 2010-11, we successfully implemented all known legal mandates. Some of these include: the Patient Protection and Affordable Health Care Act, which among other requirements changed coverage for dependents as well as COBRA provision changes. Unemployment Insurance Reauthorization and Job Creation Act of 2010 and the reduction of employee paid FICA for 2011. Also complied with the electronic filing of quarterly reports to the IRS and updated reporting forms and changed tax rate tables. Implemented alternative work schedules and telecommuting policies and eliminated remuneration statement printing to reduce greenhouse gases per California AB32. Updated system for payment to employees who are Reserve Military on active duty. We will continue to implement all mandates as they develop in FY 2011-12. The number of legal mandates varies from year to year depending on changes at the state and federal levels.</p>						

MISSION STATEMENT

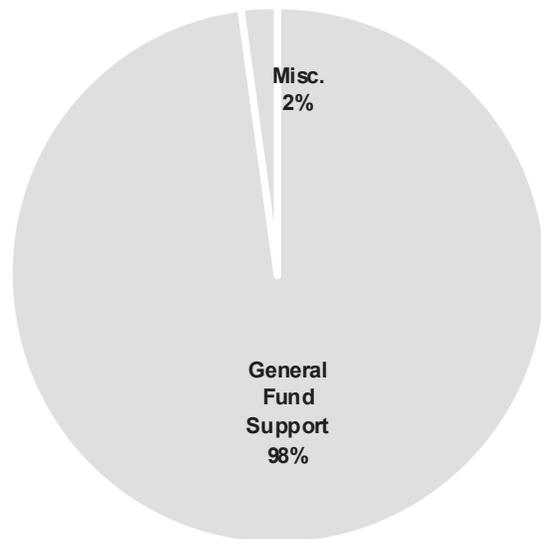
The San Luis Obispo County Board of Supervisors is the legislative arm of the County government, and is committed to the implementation of policies and the provision of services that enhance the economic, environmental and social quality of life in San Luis Obispo County.

<u>Financial Summary</u>	2009-10	2010-11	2011-12	2011-12	2011-12
	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Interfund	\$ 2,009	\$ 2,826	\$ 0	\$ 0	\$ 0
**Total Revenue	\$ 2,009	\$ 2,826	\$ 0	\$ 0	\$ 0
Salary and Benefits	1,438,040	1,437,597	1,438,239	1,438,239	1,438,239
Services and Supplies	233,248	225,271	253,976	253,976	253,976
**Gross Expenditures	\$ 1,671,288	\$ 1,662,868	\$ 1,692,215	\$ 1,692,215	\$ 1,692,215
Less Intrafund Transfers	35,712	36,142	36,209	36,209	36,209
**Net Expenditures	\$ 1,635,576	\$ 1,626,726	\$ 1,656,006	\$ 1,656,006	\$ 1,656,006
General Fund Support (G.F.S.)	<u>\$ 1,633,567</u>	<u>\$ 1,623,900</u>	<u>\$ 1,656,006</u>	<u>\$ 1,656,006</u>	<u>\$ 1,656,006</u>

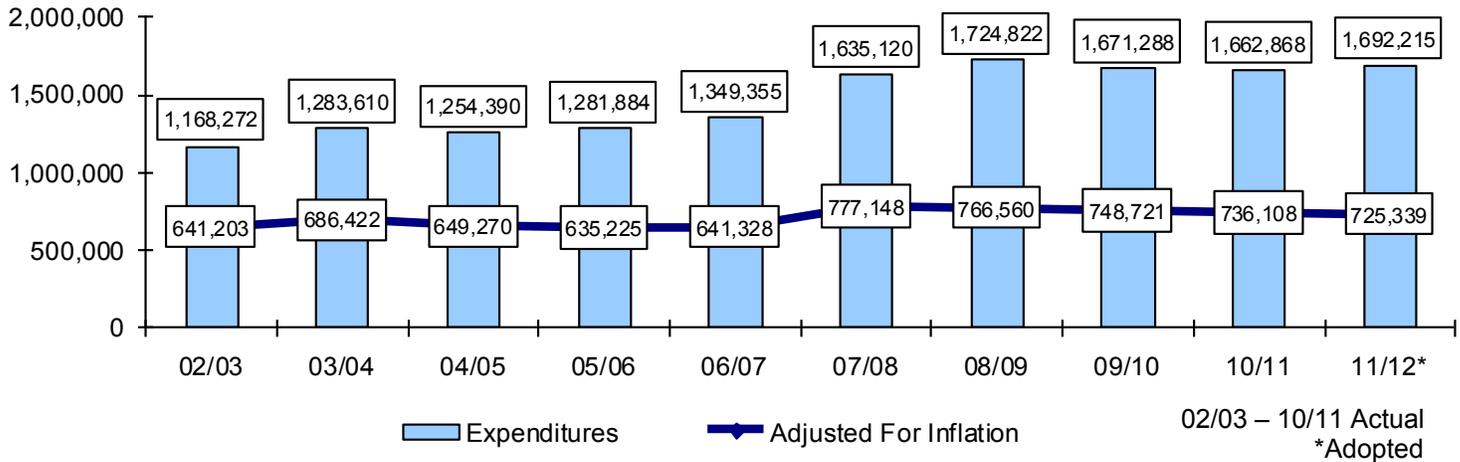
**Number of Employees
(Full Time Equivalent)**



Source of Funds



10 Year Expenditures Adjusted For Inflation



SERVICE PROGRAMS

The Board of Supervisors has a total expenditure level of \$1,692,215 and a total staffing level of 12.50 FTE to provide the following services.

Annual County Audits

This program complies with Government Code Section 25250, which states that it is the Board of Supervisors' duty to examine and audit the financial records of the County. In addition, this program satisfies the Federal Single Audit Act (Public law 98-502) relative to the auditing of federal monies received by the County.

Total Expenditures: \$106,160 Total Staffing (FTE): 0.00

Service to Public

The majority of the Board's activities center around services to the public which are provided in its capacity as the legislative body of the County. Members of the Board of Supervisors represent the people residing within their supervisorial district, while also working for the general welfare of the entire County.

Total Expenditures: \$1,586,055 Total Staffing (FTE): 12.50

COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS

In FY 2008-09, the County began to implement its "Seven Year Pain Plan" to adjust to new economic realities through targeted reductions intended to bring expenses in-line with revenue projections. As a result, the department of the Board of Supervisors eliminated a 0.5 FTE Administrative Assistant, along with additional cuts to travel, training, and professional memberships.

Further complicating the cost reduction efforts of this department is the State-mandated County-wide audit contract as well as the contracts for publicly broadcasting the Board of Supervisors meetings. These contracts represent 71% of the non-salary related costs for this fund center. Recognizing the need to offset these increasing contractual obligations, in FY 2009-10 the Board of Supervisors agreed to 5% salary reductions, along with even greater reductions to travel and training.

The FY 2010-11 adopted budget included the elimination of all remaining travel and training funding as well as a further reduction in professional memberships, equating to a total reduction of \$38,684 or 81% from FY 2007-08 adopted levels in these categories, not including the reductions to salaries and benefits.

As a result of these service levels being unsustainable, it is recommended that the General Fund support for this department increase by \$5,663 or less than 1% from FY 2010-11. This is the result of the partial restoration of travel expenses that were previously eliminated. The partial restoration of these funds will allow for improved planning and provision of services in alignment with public needs.

BOARD ADOPTED CHANGES

None

GOALS AND PERFORMANCE MEASURES

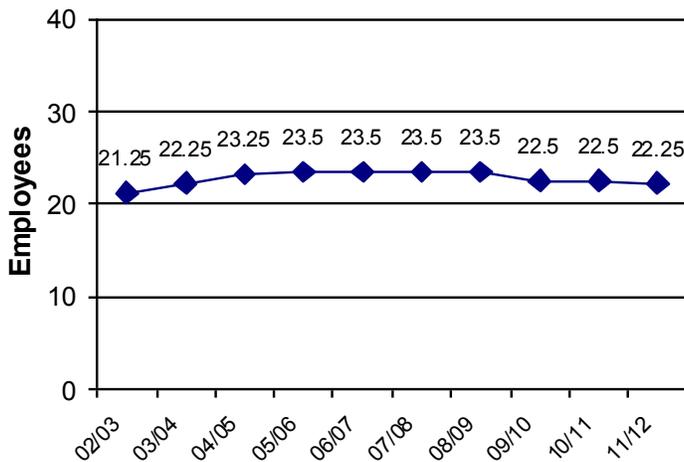
Department Goal: To enhance the public's trust in county government by measurably demonstrating that we provide efficient, high quality, results oriented services.						
Communitywide Result Link: A well-governed community.						
1. Performance Measure: Percentage of citizens that rate the overall quality of services the County provides as "good" to "excellent".						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
71%	Triennial Survey	Triennial Survey	Triennial Survey	70%	72%	Triennial Survey
<p>What: Measures citizen satisfaction with County services using data from the ACTION for Healthy Communities telephone survey now conducted every three years. Concurrently, the County conducts a Citizen's Opinion Survey that builds on the data provided in the ACTION for Healthy Communities survey. Both surveys include specific questions designed to solicit information from the public relative to whether they received satisfactory service from County employees.</p> <p>Why: It is the County's desire to provide services to our residents that are in line with their expectations. Based on the data gathered from these two surveys, County departments will develop and implement action plans designed to improve the quality of services delivered to the public and we will continue to measure our progress in meeting this goal over time.</p> <p>How are we doing? The 2010 ACTION telephone survey asked 1048 randomly selected adults "How would you rate the San Luis Obispo County government, including major units such as the Sheriff, Social Services, County Planning and Building, Elections Office, Health Department, Assessor, Tax Collector, Roads and the County Board of Supervisors?" Overall, how would you rate the services provided by San Luis Obispo County government?" 72% of the respondents rated the County as "good" (41%), "very good" (25%) or "excellent" (6%). These results are almost identical to the 2007 survey (71%). The 2010 ACTION survey was presented to the Board on October 26, 2010. The survey results posted on the County's web site: http://www.slocounty.ca.gov. The next ACTION telephone survey is planned for FY 2013-14.</p>						
2. Performance Measure: Percentage of citizens that indicate their overall impression of County employees (based on their most recent contact) is good or excellent.						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
Triennial Survey	75%	Triennial Survey	Triennial Survey	Survey on hold	Survey on hold	Survey on hold
<p>What: The County initiated a Citizen's Opinion Survey that will be conducted every three years to build on the data provided in the ACTION for Healthy Communities survey. The survey tool includes specific questions designed to solicit information from the public relative to whether they received satisfactory service from County employees.</p> <p>Why: The information gained from this survey will be used to help us improve customer service to the public. Based on the data gathered from the Citizen's Opinion Survey, County departments will develop and implement action plans designed to improve the quality of services delivered to the public and we will continue to measure our progress in meeting this goal over time.</p> <p>How are we doing? The Citizen's Opinion Survey was most recently conducted in the Winter of 2007. This survey asked respondents if they have had contact with County employees in the past 12 months, and if so, to rate their overall impression of that contact in terms of knowledge, responsiveness and courtesy of County staff. 57% of the respondents had contact in that past year, and of those, 75% rated their overall impression of their contacts with County employees as "good" or "excellent". Due to budgetary constraints, the citizen's opinion survey has been put on hold.</p>						

MISSION STATEMENT

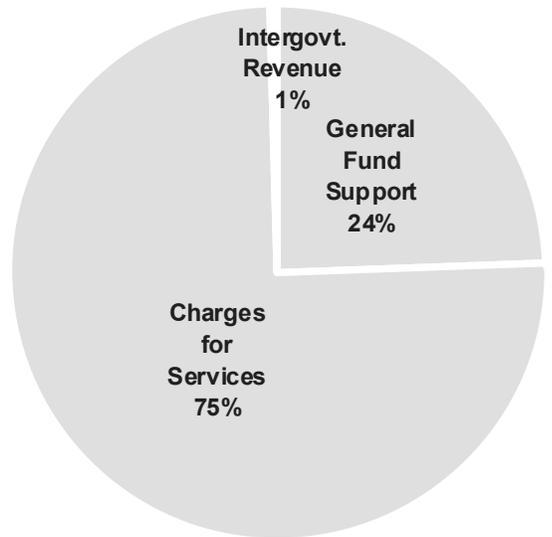
In pursuit of a well-governed community, the County Clerk-Recorder will ensure the integrity of the election process and the records maintained by the office and provide access to these public records, by complying with all applicable laws, employing technology to its fullest and wisely spending the public funds entrusted to us, while serving our customers with courteous and well-trained staff.

	2009-10	2010-11	2011-12	2011-12	2011-12
<u>Financial Summary</u>	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Intergovernmental Revenue	\$ 277,524	\$ 716,530	\$ 14,000	\$ 14,000	\$ 14,000
Charges for Current Services	2,299,709	2,578,845	2,389,329	2,389,329	2,389,329
Other Revenues	2,765	2,075	0	0	0
Interfund	1,350	791	0	0	0
**Total Revenue	\$ 2,581,348	\$ 3,298,241	\$ 2,403,329	\$ 2,403,329	\$ 2,403,329
Salary and Benefits	1,933,517	1,984,893	2,031,382	2,005,911	2,005,911
Services and Supplies	1,490,537	1,107,522	1,050,123	1,016,710	1,016,710
Fixed Assets	25,013	5,986	160,000	160,000	160,000
**Gross Expenditures	\$ 3,449,067	\$ 3,098,401	\$ 3,241,505	\$ 3,182,621	\$ 3,182,621
Less Intrafund Transfers	18,000	2,400	0	0	0
**Net Expenditures	\$ 3,431,067	\$ 3,096,001	\$ 3,241,505	\$ 3,182,621	\$ 3,182,621
General Fund Support (G.F.S.)	\$ 849,719	\$ (202,240)	\$ 838,176	\$ 779,292	\$ 779,292

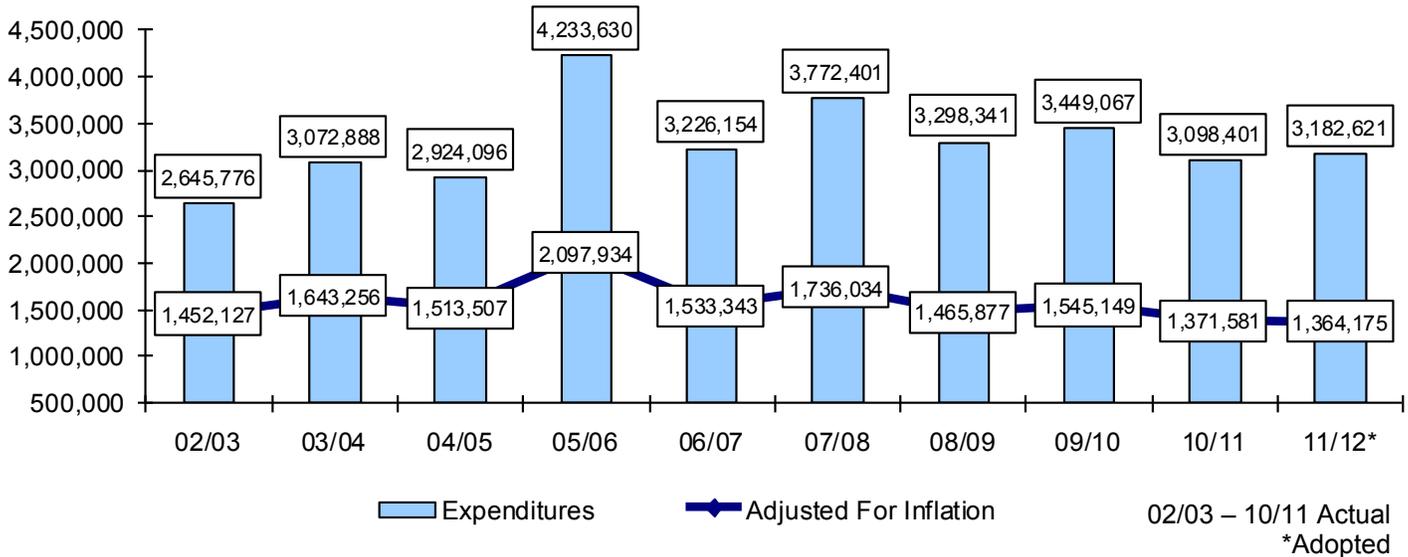
**Number of Employees
(Full Time Equivalent)**



Source of Funds



10 Year Expenditures Adjusted For Inflation



SERVICE PROGRAMS

The Clerk-Recorder has a total expenditure level of \$3,182,621 and a total staffing level of 22.25 FTE to provide the following services:

Administration

Perform Clerk-Recorder mandated duties including: Provide professional, knowledgeable staff for all meetings of the Board of Supervisors, and other mandated boards, to produce accurate and timely meeting minutes; and preserve and maintain files and records. Provide enthusiastic, professional volunteers and staff to perform civil marriage ceremonies. Provide exemplary service to our customers in County Clerk mandated functions, such as issuing marriage licenses, filing notary and other bonds and filing fictitious business name statements. Maintain the integrity of the Official Records with well-trained staff to examine, record and index property related documents and vital records; provide professional, knowledgeable staff to assist the public in searching records maintained by the office. Encourage and maintain the voter registrations of all electors residing within the County.

Total Expenditures: \$1,575,540 Total Staffing (FTE): 15.17

Elections

Ensure the integrity of the election process in the management and conduct of all elections; provide professional, knowledgeable staff to assist candidates, customers and voters in the office and at the polls on Election Day.

Total Expenditures: \$835,522 Total Staffing (FTE): 3.15

Recorder's Restricted Revenues (Special Projects)

Collect and utilize restricted funds to pursue the modernization of delivery systems for official and vital records.

Total Expenditures: \$771,559 Total Staffing (FTE): 3.93

DEPARTMENT COMMENTS

The County Clerk-Recorder provides a variety of services including: preserving property and vital records, issuing marriage licenses and fictitious business names, maintaining Board of Supervisors records and registrations of eligible voters, conducting elections, and performing civil marriage ceremonies. The department's focus is to ensure the integrity of these records and processes and improve access for all residents of the County while performing our duties within the legislated mandates and deadlines. As the department participates in solutions to the County's financial challenges, it is also confronted with some challenges that are specific to the County Clerk-Recorder.

Reducing the cost of conducting elections is a challenge for Clerk-Recorder's across the State. In California, elections are conducted in the most expensive manner; while more and more voters chose to vote by mail (60% in the November 2010 election), the State requires that polling places must be maintained to serve ALL voters. election law does not allow any adjustment in requirements for the number of polling places and precinct workers for regularly scheduled elections. By providing more flexibility for counties in meeting this challenge or allowing all vote-by-mail ballot elections, significant costs reductions could be realized, as shown by the savings accomplished in the special elections highlighted below under accomplishments. To advocate for changes to election law that will enable a reduction in the cost of conducting elections, the department has worked closely with the statewide association of election officials and has garnered support from the Board of Supervisors for the conduct of elections by mail at local option.

The unknown future of election systems and necessary funding is also a challenge for the department. The vote counting system currently in use was deployed over a decade ago. The increase in vote-by-mail ballots requires a high speed ballot counter to efficiently count these ballots. The County has been allocated over 2 million dollars in State and Federal funds, which will expire on December 31, 2011, to replace the old technology and purchase a system with this functionality. However, at this time, no such system has received the required Federal and State certification. The certification process is long and arduous and at this time it is unknown if systems will be available before the funding expires or if the funding will be extended to allow time for the certification process.

Following are some of the department's notable accomplishments for FY 2010-11 and some specific objectives for FY 2011-12:

FY 2010-11 Accomplishments

- Reduced the number of polling places for two countywide special elections to fill the vacancy in Senate District 15, saving \$300,000 on the conduct of those two elections. These two elections were held in the 5 months between the regularly scheduled June primary and November general elections.
- Partnered with Access For All, a community organization dedicated to improving access to all citizens, to produce a training video on assisting voters with special needs.
- Used grant monies to implement an elections lookup page on the department's website which displays photos of polling places and highlights the accessibility features of the location. This feature logged over 3,400 visitors for the November election.
- Streamlined the preparation of administrative records and reduced staff time necessary to complete these records by 30% from an average of 100 hours to 70 hours per record.

FY 2011-12 Objectives

- Utilize the service of Cal Poly students to assist with redrawing precinct boundary lines mandated by the 2010 census and subsequent redistricting effort. This project must be completed by December 30, 2011 in preparation for the June, 2012 primary election.
- Implement Intelligent Character Recognition technology to reduce the time necessary to index voter registration affidavits by 38% from 900 hours to 567 hours annually. This reduction will ensure registrations received at or near the 15-day deadline prior to elections can be timely entered and the voters will receive information as quickly as possible. It will also reduce the impact of elections on other services provided by the Clerk-Recorder.
- Further refine the Automated Indexing system to increase the number of official record documents processed by the system from 6% to 15%. Increasing the efficiency of the system will ensure that land records are accessible to the public and Assessor's staff by the next business day.

- Partnered with Cal Poly Geographic Information Systems students to conform precinct boundaries to updated parcel lines in preparation for the 2011 redistricting effort, saving 100 hours of staff time and engaging the community in County government.

COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS

Revenue in the department's Elections Division fluctuates with the election cycle as additional revenue is realized from jurisdictions that consolidate their elections with general elections, and therefore pay for their cost of the election, thus covering a portion of election expenses. General elections are held in even-numbered years. During the odd-numbered years (FY 2011-12 is an odd-numbered year), election revenue declines and the department requires additional General Fund support.

The level of General Fund support for this budget is recommended to increase \$273,301 or 54% compared to the FY 2010-11 adopted budget. Because of the cyclical nature of election revenues, an adjustment is made to even out the years. When adjusted for the timing of election cycles, General Fund support is actually decreasing 2% compared to the FY 2010-11 adopted budget. Revenues are recommended to decrease \$170,148 or 6% and expenditures are recommended to increase \$103,153 or 3% compared to the FY 2010-11 adopted level.

Revenues are decreasing largely due to the fluctuation in election related revenue listed above. Other Clerk fees are recommended to increase by \$11,000 due to an increase in marriage licenses, fictitious business name statements as well as an increase in official record copy fees—these increases offset the loss of passport fees that the department will not collect in FY 2011-12 due to no longer being a Passport Agent. Recorder's Restricted Revenue is increasing \$253,331. Restricted Revenues are revenues that the Clerk-Recorder is authorized to collect by government code for various recording activities. Government code also places restrictions on how these revenues are expended—generally to modernize and improve the retention and retrieval of recorded documents. Restricted Revenues are held in trust accounts and the amount of Restricted Revenues budgeted is determined by the specific projects and expenditures that are funded from them. This account is increasing due to the reallocation of staff for work on special projects as well as the purchase of services and supplies and some fixed assets that are allowed for by State statute. Other significant changes to revenue include: a decrease of \$317,659 in SB 90 State Mandated Costs due to the Governor's proposed suspension of SB 90 claims, and an increase of \$60,000 to Recording Fees which is consistent with the high level of recording activity that the department has experienced in the current fiscal year.

Salary and benefits are decreasing \$20,232 or less than 1% compared to FY 2010-11 adopted levels. While the FY 2011-12 salary and benefit budget accounts for regular pay step increases, various reductions drive the overall decrease. The recommended budget includes a \$10,790 reduction to the amount budgeted for overtime for elections. Recommended changes to the department's position allocation list (PAL) also result in a net savings of approximately \$13,000. A net reduction of .25 FTE is recommended for the department's PAL in FY 2011-12:

- - 0.50 FTE Administrative Assistant
- + 0.25 FTE Clerk-Recorder Assistant

The recommended changes to the PAL will have minimal impacts to service levels. The savings resulting from the .5 FTE reduction to the Administrative Assistant position offset the cost of the department's budget augmentation request for the implementation of Intelligent Character Recognition technology which will decrease the staff time needed to process voter registration cards (discussed below). The 0.25 FTE allocation increase to the Clerk-Recorder Assistant position will eliminate some of the overtime pay that is paid to the incumbent who consistently works beyond the current 0.5 FTE allocation. It is also recommended that the department delay filling the resulting 0.5 FTE Administrative Assistant position for seven months which will further reduce salary and benefit costs by \$14,681.

Services and supplies are recommended to decrease \$29,615 or 2% compared to FY 2010-11 adopted levels. The decrease is due to reductions in several accounts including travel and training, as well as a reduction in

Special Department Expense which will reduce the number of precinct staff at the polls from five to four. Each of these reductions poses minimal service level impacts.

Fixed assets are recommended to increase \$153,000 or 2,185% compared to FY 2010-11 adopted levels. Recommended fixed asset expenditures include the replacement of an aging scanner and the installation of high density shelving units in the Recorder's storage space at Camp San Luis Obispo. Both recommended fixed asset expenditures will be funded with restricted revenues. The department submitted a budget augmentation request for the installation of the high density shelving which is discussed below.

BUDGET AUGMENTATION REQUESTS ADOPTED

Unit Amount	Description	Intended Results
Gross: \$130,000, funded entirely with the Clerk-Recorder's restricted revenues. General Fund Support: \$0	Installation of high density shelving units in the Recorder's storage space at Camp San Luis Obispo.	1. Protect books from the atmospheric conditions which hasten their deterioration. 2. Increase the number of historical books that can be stored.
Gross: \$11,000, offset with salary and benefits savings of \$13,000 due to the voluntary reduction of .25 FTE Administrative Assistant General Fund Support: -\$2,000	Implementation of Intelligent Character Recognition (ICR) technology to assist in the processing of voter registration cards.	1. Improve the efficiency of processing voter registrations by 38%, reducing the time it takes to process voter registration cards from 900 hours to 567 hours annually (a 60-80 second reduction per card). 2. Reduce the department's reliance on overtime and temporary help during elections.

BOARD ADOPTED CHANGES

None.

GOALS AND PERFORMANCE MEASURES

Department Goal: Create, process, maintain, and/or update records and documents (i.e., Board of Supervisor minutes and records, real property and vital records, voter registration, etc.) in a timely and accurate manner to ensure compliance with local, state, and federal laws.						
Communitywide Result Link: A well-governed community.						
1. Performance Measure: Percentage of documents received by mail which are examined and recorded, or returned within 2 business days.						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
99.1%	98.1%	93%	98%	100%	96%	100%
What: This measure tracks the processing time of official records (e.g. deeds, reconveyances) received in the mail.						
Why: Tracking the time it takes to process official records helps to measure how prompt our customer service is to the public, County departments, State, and Federal agencies, and enables us to ensure we are complying with law that requires recordation within 2 days of receipt of specific documents which are sent to us by express delivery.						
How are we doing? Recording volumes for FY 2010-11 matched levels from prior fiscal years. In FY 2010-11, we did not reach our goal of processing 100% of all documents within two days of receipt due to staffing reductions, staff shortages and conducting the regularly scheduled General Election as well as the Senate District 15 Special General Election back-to-back which required reassigning staff from their regular duties. We have been focusing on additional training for staff to assist with the recording function during this "down" election year. Even with the anticipated increase in recording volumes, and the Presidential elections in 2012, the additional staff trained in recordings will allow us to attain the goal of 100% in future years.						

Department Goal: Provide easy access to all public records and documents to enhance customer service.

Communitywide Result Link: A well-governed community.

2. Performance Measure: Percentage of requests for vital and official records per month conducted online via the web.

06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
4.0%	4.4%	4.7%	5.3%	5.0%	5.4%	6.5%

What: This measure tracks the use of Clerk-Recorder services that are available online for a fee.

Why: Copy requests via the web require less staff time and measuring the use of online services assists in the assignment of staff within the department, resulting in a more efficient use of staff time. Tracking measurements of the level of use of online vital and official records use also provides indicators of the need to advertise and enhance the availability of certain services online to better serve the public.

How are we doing? The online purchase of birth and death copies has been restricted in the State since 2003, and in 2010 the restriction was expanded to include copies of marriage licenses. The percentage of online requests for the purchase of vital and official records has been increasing since legislation was passed in 2004 to allow customers to fax a notarized statement for purchase of these records. Increases are expected in online requests for vital and official records beyond FY 2010-11 adopted levels because the vendor that is utilized for the web orders continues to make improvements to their service, which is expected to result in increased numbers of customers utilizing web based record request services. The County had contracted with a new vendor for processing credit card payments, which has resulted in a 60% decrease in the convenience fee paid by the customer versus the web-based vendor. The new vendor does not have the ability to allow customers to place orders on the web. Whether this will have an effect on the number of customers who choose to place orders on the internet as opposed to contacting the office directly should be known by late 2011. 5.4% of requests is equivalent to 66 requests per month for vital and official records via the web.

3. Performance Measure: Percentage of Internet survey respondents who found information they were searching for without a follow up phone call or trip to the office. *This performance measure is being deleted in FY 2011-12.*

06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
80%	82%	81%	84%	85%	84%	Deleted

What: This measure tracks responses to the department's website survey which asks users to indicate whether or not they found the information they were searching for without a follow up phone call or trip to the office.

Why: Giving our customers the information they need on the department's website without further follow-up makes it easier for the customer, enhances our customer service and saves the staff time required to assist with the follow-up. The feedback we receive helps us target areas where we can enhance and improve our website offerings.

How are we doing? The Clerk-Recorder's website was revised as part of the countywide E-Government initiative in May 2006. The increase in the number of customers who can find the information they are seeking without a follow-up phone call is indicative of the new topic centric focus of the County's web presence. We continue to explore adding new information to the website and in 2006 added live web streaming of the Board of Supervisors meetings which resulted in an additional 3,000 hits per quarter. In 2010, we enhanced the polling place look-up feature on the web by providing mapping instructions and photographs of polling places highlighting their accessibility features for voters to identify and fully utilize their assigned polling place on Election Day. While information available on our website has increased, legislative restrictions to the access of vital records indices and images of official record information limits our ability to provide a complete array of information through the Internet, resulting in customer follow-up when searching for certain information. This measure is being deleted in FY 2011-12 because we are not getting sufficient information from our website survey. Not all users respond to our website survey and those who do respond often provide incomplete answers, making it difficult to measure the level of use and effectiveness of our online information and services. Although the performance measure is being deleted, we will continue to use all feedback to improve the website and to enhance the information offered online.

Department Goal: Ensure the integrity of the San Luis Obispo County election process and encourage the participation of all eligible voters in a cost-effective manner.

Communitywide Result Link: A well-governed and prosperous community.

4. Performance Measure: Cost per vote-by-mail ballot.

06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
\$2.39	\$2.07	\$1.97* \$2.08**	\$2.00* \$1.89**	\$2.25	\$1.77* \$2.06**	\$2.25

What: This measures the cost to issue each vote-by-mail ballot.

Why: Vote-by-mail ballots have traditionally been very labor intensive to administer and process. Currently approximately 54% of San Luis Obispo County voters choose to vote by mail ballot. Tracking the costs to issue vote-by-mail ballots allows the department to plan for the budget impacts of these ballots accordingly and contributes to efforts to automate and streamline the process, thereby increasing efficiency and keeping costs down.

How are we doing? The deployment of technology has had a profound effect on this labor intensive process. Since San Luis Obispo County began implementing technology and introduced efficiencies for the issuance of vote-by-mail ballots, per ballot costs have been reduced from \$4.11 per voter in 1998 to the current \$2.00 or less per voter. The expansion of permanent vote-by-mail status has further assisted in reducing this cost as these voters do not need to apply for a ballot, reducing the staff time to process the request by about one-third. The FY 2007-08 and FY 2008-09 actual results reflect the deployment of additional technology that has assisted in keeping vote-by-mail ballot costs stable, such as automated signature scanning and envelope opening machines. Vote-by-mail ballot costs were significantly lower for the two special elections (in June 2010 and in August 2010) because of legislation that streamlined the manual tally of vote-by-mail ballots in these elections, saving approximately 48 hours of staff time. Effective January 1, 2012, this time saving measure will extend to all elections, further reducing staff costs. It is estimated that this change could save approximately 300 labor hours for a primary election, and 540 hours for a general election, which will save up to \$0.05 per ballot during a primary election, and up to \$0.13 in a general election. Even with this projected savings, the FY 2011-12 target is estimated higher due to the increased costs of providing party ballots for the Presidential and Central Committees contests, postage increases, and increased voter activity associated with a Presidential Primary. As emerging technology is developed and becomes available, the Clerk-Recorder will search for and utilize available grants to further stabilize cost fluctuations and reduce costs.

Some of our comparable counties were able to provide the following information as a comparison. Costs are from prior year as current costs are not available.

Placer County	\$5.41 per ballot		
Santa Barbara County	\$3.88 per ballot		
Napa County	\$2.85 per ballot		
FY 2008-09 Results:	* November 2008 General Presidential Election	** May 2009 Special Statewide Election	
FY 2009-10 Results:	* June 8, 2010 Primary Election	** June 22, 2010 Special SD 15 Primary Election	
FY 2010-11 Results:	* August 2010 Special SD 15 General Election	** November 2010 General Election	

5. Performance Measure: Average cost per registered voter in the County.

06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
\$3.03	\$3.56	\$4.08* \$2.40**	\$3.83* \$2.46**	\$3.45	\$2.21* \$3.49**	\$3.85

What: This measures the cost of conducting a countywide election per registered voter.

Why: Measuring the cost of conducting countywide elections per registered voter enables the Clerk-Recorder to have a better understanding of the overall costs of conducting an election and to identify means to conduct elections in the most cost effective manner possible.

How are we doing? Even with the increased number of voter registrations and high voter turnout, the department continues to maintain its commitment to providing the best election experience in the most cost effective manner. The costs for the November 2010 General Election are higher than the August 17th Special Election due to higher voter turn-out for the regularly scheduled General Election, as well as several cost saving measures that were implemented for the Special Election, including increased consolidation of polling places, additional vote by mail precincts and reducing the number of workers at the polls from five to four. These measures saved \$50,000 on poll worker salary alone for the special election. Other reductions were realized in poll delivery costs, polling place rental charges and staff time associated with the manual tally rule change mentioned in the above measure, the shorter ballots, and lower turnout in the Special Election. The target costs for FY 2011-12 recognize the additional cost of providing party specific ballots in a primary election, anticipated postage increases in 2012, and the increased activity associated with a Presidential primary election.

Some of our comparable counties were able to provide the following information as a comparison. These comparisons are from prior years as current figures are not available.

Placer County	\$4.99 per registered voter		
Santa Barbara County	\$11.00 per registered voter (includes indirect costs)		
Napa County	\$2.67 per registered voter		
FY 2008-09 Results:	* November 2008 General Presidential Election	** May 2009 Special Statewide Election	
FY 2009-10 Results:	* June 8, 2010 Primary Election	** June 22, 2010 Special Senate District 15 Primary Election	
FY 2010-11 Results:	* August Special SD 15 General Election	** November 2010 General Election	

6. Performance Measure: Voter Participation Rate.

06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
63.08%	63.5% * 43.4% **	83.1% * 39.4% **	40.27% * 47.12% ** 37.87% ***	63%	43.41%* 69%**	65%

What: This measures the San Luis Obispo County voter turnout in elections.

Why: Measurements of voter turnout are an indicator of whether people participate in their government and have a stake in their future. The Clerk-Recorder measures voter turnout to target populations and geographical areas where more voter education may be needed and to ensure that we have efficiently assigned staff and resources to assist voters.

How are we doing? Many factors affect voter turnout. Turnout is always highest in a Presidential General Election and lowest in a Gubernatorial Primary Election and special elections. In addition, voter file maintenance is critical to ensure that election files are current and up-to-date, thereby giving a more accurate picture of the voter turnout. This office is committed to encouraging voter participation and educating the public on deadlines for voter registration and the process to obtain a vote-by-mail ballot for each election. Our commitment to mail voter information pamphlets/vote by mail applications at the earliest possible date, and the posting of information and polling place lookup on the internet, assist our voters in being informed and contribute to the County's high rates of voter turnout. Efforts to encourage voter turnout are reflected in the County's voter turnout for the August 2010 Senate District 15 Special General Election being 4% higher than the district average of 39.4%. The statewide turnout for the November 2010 General election was 59.5%- nearly 10 percentage points lower than San Luis Obispo County. The target of 65% voter turnout for FY 2011-12 anticipates a high level of voter turnout for the 2012 Presidential Primary. The turnout for the primary election should also increase because of the recently passed proposition that provides for a "Top Two" primary election, in which candidates from all qualified parties appear on one primary ballot and is provided to all voters regardless of party affiliation, with the exception of presidential candidates and candidates for local party central committees.

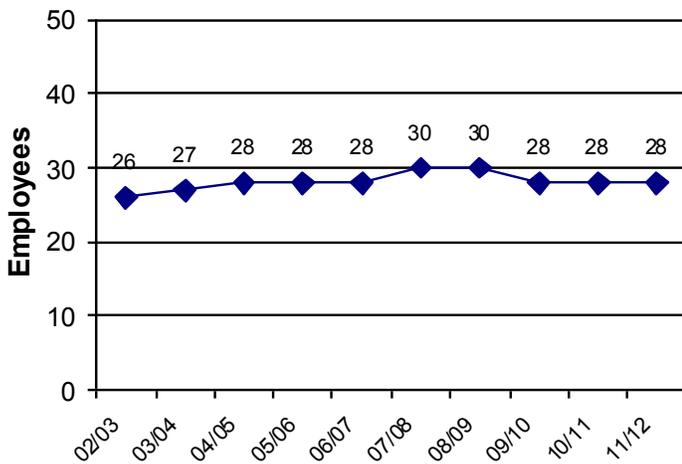
FY 2005-06 Results: * November 2005 Special Statewide Election	** June 2006 Direct Primary Election
FY 2007-08 Results: * February Presidential Primary Election	** June 2008 Direct Primary Election
FY 2008-09 Results: * November 2008 General Presidential Election	** May 2009 Special Statewide Election
FY 2009-10 Results: * November 2009 Uniform District Election /City of Paso Election	** June 2010 Direct Primary Election
*** June 22, 2010 Special SD 15 Primary Election	
FY 2010-11 Results: * August 2010 Special SD 15 General Election	** November 2010 General Election

MISSION STATEMENT

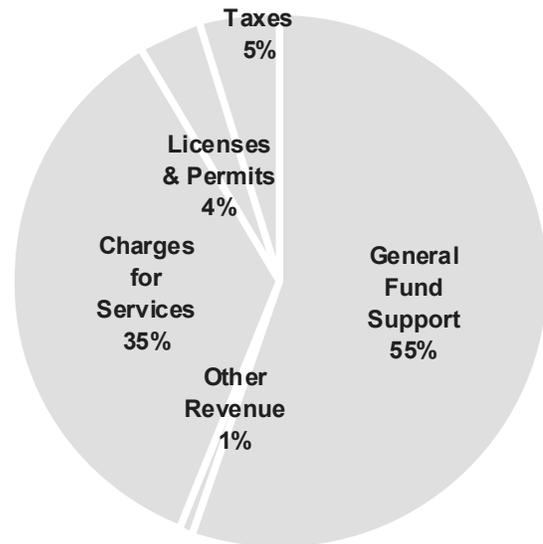
The Treasurer, Tax Collector, Public Administrator's staff is committed to providing quality service to the community, including the efficient collection and prudent management of public funds needed for public services.

<u>Financial Summary</u>	2009-10	2010-11	2011-12	2011-12	2011-12
	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Taxes	\$ 98,056	\$ 95,561	\$ 139,000	\$ 139,000	\$ 139,000
Licenses and Permits	103,812	104,844	109,293	109,293	109,293
Charges for Current Services	1,062,402	1,044,548	1,020,330	1,020,330	1,020,330
Other Revenues	25,953	37,132	24,130	24,130	24,130
**Total Revenue	\$ 1,290,223	\$ 1,282,085	\$ 1,292,753	\$ 1,292,753	\$ 1,292,753
Salary and Benefits	2,451,100	2,396,147	2,619,099	2,619,099	2,619,099
Services and Supplies	250,939	272,752	273,588	273,588	273,588
**Gross Expenditures	\$ 2,702,039	\$ 2,668,899	\$ 2,892,687	\$ 2,892,687	\$ 2,892,687
Less Intrafund Transfers	3,192	0	0	0	0
**Net Expenditures	\$ 2,698,847	\$ 2,668,899	\$ 2,892,687	\$ 2,892,687	\$ 2,892,687
General Fund Support (G.F.S.)	<u>\$ 1,408,624</u>	<u>\$ 1,386,814</u>	<u>\$ 1,599,934</u>	<u>\$ 1,599,934</u>	<u>\$ 1,599,934</u>

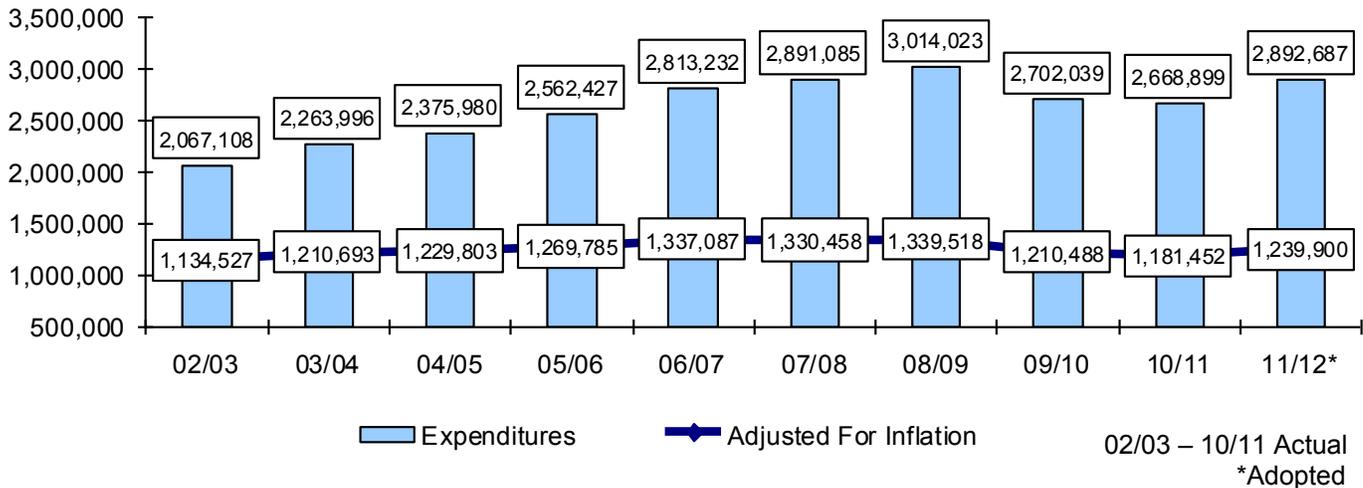
**Number of Employees
(Full Time Equivalent)**



Source of Funds



10 Year Expenditures Adjusted For Inflation



SERVICE PROGRAMS

The Treasurer/Tax Collector/Public Administrator has a total expenditure level of \$2,892,687 and a total staffing level of 28.00 FTE to provide the following services:

Local Mandated Collections

Administer the issuance of business licenses for all unincorporated areas of the County and collect and account for business license regulatory fees, Transient Occupancy Taxes (hotel bed taxes), the tobacco license fee, and the San Luis Obispo County Tourism Business Improvement District assessment.

Total Expenditures: \$181,458 Total Staffing (FTE): 2.19

Public Administrator

Administer the estates of deceased County residents when there is no one willing or qualified to act as executor or administrator of the estate, to ensure compliance with legal mandates. Services include coordinating property sale or other disposition; researching and notifying beneficiaries; processing court documentation, income tax returns and wills; and ensuring payments to creditors.

Total Expenditures: \$157,997 Total Staffing (FTE): 1.32

Secured Collections

Manage the billing, collection, and accounting of taxes secured by real property, i.e., residential and commercial land and buildings. Collect delinquent property taxes and coordinate the sale of tax-defaulted property through sealed bid sales, "Chapter 8" agreement sales, and public auctions.

Total Expenditures: \$1,061,125 Total Staffing (FTE): 10.14

Supplemental Collections

Manage the billing, collection, and accounting of Supplemental Property Taxes (secured or unsecured) when the property value is reassessed due to a change in ownership or the completion of construction on real property.

Total Expenditures: \$331,535 Total Staffing (FTE): 3.73

Treasury

Provide banking services including receiving, depositing, investing, and controlling all monies belonging to the County, school districts, and special districts for which the County Treasurer is the ex-officio treasurer. Support the County, school districts, and special districts in the process of debt issuance.

Total Expenditures: \$872,017 Total Staffing (FTE): 7.62

Unsecured Collections

Manage the billing, collection, and accounting of taxes on unsecured property, i.e., business fixtures and equipment, racehorses, airplanes, and boats. Administer a collection program for delinquent unsecured property taxes.

Total Expenditures: \$288,555 Total Staffing (FTE): 3.00

DEPARTMENT COMMENTS

The combined office of the Treasurer, Tax Collector, Public Administrator has three diverse functions with a common goal of providing cost effective, quality service to the community.

The department continually explores effective and efficient ways to enhance its services to the public as evidenced in its accomplishments over the years. Among the department's notable accomplishments, San Luis Obispo County is one of the first in the State to offer the public the ability to access tax information electronically and pay taxes online. As part of its "Go Green" efforts, San Luis Obispo County is the first in the State to offer e-Billing for tax bills which provides taxpayers with a convenient option to receive tax bills electronically. These efforts not only enhance services to the public, they also reduce costs.

The department is currently experiencing low rates of return on its investments during this historically low interest environment. One of the department's major challenges will be to reduce treasury costs and aggressively search for options to obtain better yields without jeopardizing safety and liquidity.

As the department prepares to move into FY 2011-12, it continues to look for ways to be more efficient in order to provide quality service to the public with fewer resources.

Following are some of the department's notable accomplishments for FY 2010-11 and some specific objectives for FY 2011-12:

FY 2010-11 Accomplishments

- Completed standard operating checklists on key processes in order to minimize the risk of critical errors, thereby improving accuracy and efficiency in the performance and completion of tasks.
- Designed spreadsheets to forecast and determine cash flow, in order to optimize account balances, which result in earnings credits that significantly offset banking fees.
- Completed and implemented a Tax Status Letter which provides taxpayers with a clear picture of the outstanding tax amounts due for assessments with prior year and supplemental taxes. The department has received a favorable response to the letters from taxpayers.

FY 2011-12 Objectives

- Research best practices from other counties and review banking processes and costs to determine if the Treasury is operating as efficiently as possible.
- Identify additional investment options which offer a higher yield while meeting the Investment Policy objectives of safety and liquidity.
- Partner with the Information Technology Department to implement a web-based system for the Transient Occupancy Tax and San Luis Obispo County Tourism Business Improvement District programs to allow motel and vacation rental operators the ability to obtain forms and make payments electronically, which will reduce the staff time needed to administer the programs.

- Initiated a Taxpayer Communication Tracking Program which provides staff with a complete communication history on any given property. The program improves customer service through better organized information and a faster method of retrieving communications with taxpayers.
- Market the “Go Green” concept to encourage participation in the e-Billing and paperless billing programs which further the department’s mission of providing quality service while reducing costs.

COUNTY ADMINISTRATOR’S COMMENTS AND RECOMMENDATIONS

The level of General Fund support for this budget is recommended to decrease \$21,514 or 1% compared to the FY 2010-11 adopted level. Revenues are recommended to decrease \$26,164 or 1% and total expenditures are recommended to decrease \$47,678 or 1%.

Several revenue accounts are recommended to increase, but overall revenues are decreasing due largely to a \$44,563 or 4% decrease in Administrative Services Fee revenue which is calculated based on the department’s cost for administering the Treasury funds. This revenue is decreasing because of a decrease in salaries and benefits which is largely associated with the Assistant Treasurer-Tax Collector position being vacated in early FY 2010-11 and filled at a lower pay step, as well as a decrease in the Treasurer’s portion of the countywide overhead.

Salary and benefits are decreasing \$38,424 or 1% due to: 1) various positions having been vacated and filled at lower pay steps, 2) the exchange of a Supervising Administrative Clerk I-Confidential position for a non-confidential position, 3) the promotion of the Principal Analyst to the Assistant Treasurer-Tax Collector position, leaving the Principal Analyst position vacant and then filling it at the Financial Analyst I level, and 4) the elimination of the County paid retirement contribution for the Treasurer-Tax Collector.

Services and supplies are decreasing \$9,254 or 3% due to significant cost savings efforts by the department. Most significantly, the department’s continued implementation of the Property Tax Management System, which includes an e-billing component, has made more forms and information available online via the department’s website and has enabled the department to correspond with and send bills to taxpayers electronically. The continued implementation of the online system is recommended to reduce the department’s postage costs by \$15,000 or 16% in FY 2011-12 and will also improve service levels by ensuring that information is more accessible to taxpayers.

BOARD ADOPTED CHANGES

None.

GOALS/PERFORMANCE MEASURES

Department Goal: Provide helpful, courteous, responsive service to County departments and the public while accommodating all reasonable requests.							
Communitywide Result Link: A well-governed community.							
1. Performance Measure: Percentage of customer satisfaction surveys which rate department performance as “excellent” or “good.”							
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target	
97%	97%	98%	98%	100%	100%	100%	
What: This measure tracks the satisfaction survey results collected from customers who are served in person, through the mail, or over the Internet.							

Why: Customer satisfaction levels are measured and tracked to identify areas in which the department can improve its level of service to the public.

How are we doing? In FY 2010-11, the department received 72 completed customer satisfaction surveys from the public service counter. 72 survey responses or 100% rated the service as “good” or “excellent”. The department continues to fine-tune the services provided to the public by enhancing the Tax Collector’s website and the Taxes on the Web system to increase the percentage of department services available 24/7. The property tax management system allows taxpayers the ability to manage all of their assessments in one transaction, and to “go green” by using the e-Billing solution. Staff continually cross-train to enhance their knowledge and skills, which increases the level of service available to the public. Due to the department’s continued efforts to improve customer service, the targeted goal for FY 2011-12 is for 100% of customer satisfaction surveys to indicate that the department’s performance is “good” or “excellent”.

Department Goal: Manage the Treasury investment pool, which includes deposits from the County, schools, and special districts, in a manner that ensures the preservation of capital and provides the ability to meet the cash flow needs of the pool participants.

Communitywide Result Link: A prosperous community.

2. Performance Measure: Percentage of public funds invested.

06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
99%	99%	99%	99%	99%	99%	99%

What: This measures the percentage of available funds that are invested in the County Treasury investment pool.

Why: To maximize the return on investment for public funds not immediately required to support governmental operations.

How are we doing? The County Treasurer’s policy is to invest all funds that are not immediately needed. The department is able to invest such a high percentage of available funds because of detailed daily cash flow tracking and projections, electronic banking, and on-line account tracking. The percentage of available funds invested has remained steady over the years and the department anticipates no issue with maintaining the targeted high percentage of investment in FY 2011-12. Based on a recent survey of all California counties, in which half of the counties responded, the average percentage of available funds invested by responding counties is 95%.

3. Performance Measure: Percentage of time that the annual County Treasury Oversight Committee investment policy compliance audit results in 100% compliance.

06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
100%	100%	95%	100%	100%	100%	100%

What: The County Treasury Oversight Committee (CTOC) was formed in 1996. One of its duties is to authorize an independent audit of the County Treasury investments each year. The committee may contract with one of the following: 1) the County Auditor-Controller, 2) the independent certified public accountants (CPAs) that review the County’s Comprehensive Annual Financial Report, or 3) independent CPAs, as deemed appropriate. This measure tracks the percentage of time that the annual County Treasury Oversight Committee investment policy compliance audit results in 100% compliance.

Why: The annual compliance audit ensures that investment procedures are effectively being implemented to preserve capital and meet cash flow requirements of the pool participants.

How are we doing? The audit by the Auditor-Controller for FY 2009-10 (conducted in FY 2010-11) resulted in no findings or recommendations. The annual investment audits have consistently found the County Treasury to be in compliance with the San Luis Obispo County Treasury Investment Policy.

4. Performance Measure: Percentage of time in which the net yield of San Luis Obispo County Treasury investments falls within 0.5% of the yield earned by the State Local Agency Investment Fund (LAIF).

06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
67%	92%	83%	100%	100%	100%	100%

What: The investment yield (return on investments minus all administrative and banking costs) of the County Treasury Pool is compared to the State investment fund – LAIF yield. LAIF is an investment fund, whereas, the County Treasury is an operating fund which must cover the costs of daily operations. LAIF is utilized as a standard benchmark by all California counties as an indicator that investment portfolios are following the market. As of June 30, 2011, the LAIF portfolio was \$66 billion versus the County Treasury portfolio of \$558 million.

<p>Why: By law, the investment yield is the third priority after safety and liquidity are met. A comparison of the LAIF yield and County Treasury Pool yield is utilized as a portfolio analysis tool to ensure that the County's investment yield falls within the range of the industry standard and that the County is maximizing its resources through investment.</p> <p>How are we doing? The Treasury net yield was within the targeted variance of 0.5% compared to the LAIF net yield in FY 2010-11. The Treasury continues to explore ways to reduce costs and aggressively search for options to obtain better yields without jeopardizing safety and liquidity.</p> <p>Department Goal: Maintain modern, efficient treasury cash management and banking systems, providing proper internal controls to safeguard, manage, and account for liquid assets.</p> <p>Communitywide Result Link: A prosperous and well-governed community.</p>						
<p>5. Performance Measure: Percentage of time that "no findings" is the result of the internal quarterly cash procedures audit by the County Auditor-Controller's Office and the annual Treasury audit by outside auditors.</p>						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
100%	100%	100%	100%	100%	100%	100%
<p>What: Each quarter, the County Auditor-Controller's Office conducts an unannounced cash procedures audit of the County Treasury. Annually, a firm contracted by the County, currently Gallina, LLP, requests access to office documents in order to conduct a departmental audit. These audits are required by government code. This measure tracks the results of the Treasury's internal quarterly and external annual audits.</p> <p>Why: Internal and external audits certify that procedures are being maintained to ensure effective internal control to safeguard, manage, and account for liquid assets.</p> <p>How are we doing? The County Treasury has consistently passed the audits with no negative findings. If a suggestion is made by the audit team which will further improve the County Treasury procedures, the suggestion is discussed and incorporated. The annual audit report for FY 2009-10 which was received in FY 2010-11, was without recommendation thus achieving the 100% target.</p>						
<p>6. Performance Measure: Maintain an "AAA/V1" credit rating by Fitch Ratings for the Treasury Combined Pool Investments.</p>						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
"AAA/V1+"	"AAA/V1+"	"AAA/V1+"	"AAA/V1"	"AAA/V1"	"AAA/V1"	"AAA/V1"
<p>What: This measure tracks the independent rating of the County's creditworthiness.</p> <p>Why: Credit ratings are an objective measure of the County's ability to pay its financial obligations. The investment pool's "AAA" rating reflects the credit quality and diversification of the underlying assets, and appropriate management and operational capabilities. The pool's "V1" volatility rating reflects low market risk and a strong capacity to return stable principal value to participants, as well as to meet anticipated cash flow requirements, even in an adverse interest rate environment.</p> <p>How are we doing? Fitch Ratings, Inc. ("Fitch"), a nationally recognized statistical rating organization, has assigned a managed fund credit rating of "AAA" and a market risk rating of "V1" to the County Pool. Fitch has consistently rated the County Pool with their highest rating since FY 1994-95. The County Pool's "AAA" rating reflects the credit quality and diversification of the underlying assets in the portfolio, and appropriate management and operational capabilities. The County Pool's "V1" volatility rating reflects low market risk and strong capacity to return stable principal value to participants, as well as to meet anticipated cash flow requirements, even in an adverse interest rate environment. Effective February 10, 2010, Fitch eliminated the V1+ rating from its Fund Volatility Rating scale and revised its highest rating to V1. On March 18, 2010, the County Pool's volatility rating was revised to "V1," to reflect the new highest rating. On October 6, 2010, Fitch confirmed the County Pool's "AAA/V1" rating.</p>						
<p>Department Goal: Process tax payments promptly and accurately to provide timely availability of funds to the government agencies for which taxes are collected.</p> <p>Communitywide Result Link: A prosperous community.</p>						
<p>7. Performance Measure: Collection costs as a percentage of current secured taxes collected. <i>This measure is being deleted in the FY 2011-12 budget.</i></p>						
06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
0.25%	0.25%	0.22%	0.22%	0.25%	.22%	Deleted
<p>What: Costs to collect current secured taxes.</p>						

Why: To comply with the legal mandate to collect current year property taxes.

How are we doing? In FY 2010-11, the total amount of secured taxes was \$435,542,034. Of this figure, the department collected approximately \$421,960,549 or 96.8%. The Treasurer-Tax Collector's collection costs for FY 2010-11 were approximately 0.22%. Collection costs are projected to remain at 0.22% for FY 2011-12 due to increased efficiency in payment processing and billing. Placer County, a comparable county in terms of number of assessments, had a collection cost of 0.24% for FY 2008-09. Placer County is no longer tracking their collection costs and other counties with comparable number of assessments do not have a mechanism for tracking. Due to a lack of comparable county data, this performance measure is being eliminated in FY 2011-12.

8. Performance Measure: Percentage of annual current secured property taxes owed that is not collected.

06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
2.2%	3.5%	3.9%	3.5%	3.5%	3.2%	3.5%

What: This measures the percentage of current secured property taxes that are owed but not collected.

Why: This measure demonstrates the County's compliance with legal mandates that require the collection of property taxes.

How are we doing? In FY 2010-11, San Luis Obispo County had an uncollected current secured tax charge percentage of 3.2%, or \$11,690,166 which represents a decrease of 0.3% over FY 2009-10 levels. The State average for FY 2009-10 was 3.6%, which was an improvement of 0.7% over the previous fiscal year (the State average for FY 2010-11 will be available until January 2012). These results are consistent with an improving economy.

9. Performance Measure: Percentage of qualified delinquent unsecured taxes collected.

06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
36%	26%	24%	24%	24%	31%	25%

What: This measures the percentage of qualified delinquent unsecured taxes that are collected.

Why: Revenue and Taxation Code 2963 limits active collection of taxes on the unsecured roll to three years from the date taxes become delinquent. This measure demonstrates the level at which unsecured taxes are collected within three years from the date taxes become delinquent.

How are we doing? In FY 2010-11, the amount of unsecured taxes eligible for delinquent collection efforts was \$2,369,979. The collections unit collected \$743,387 or 31% of the amount subject to active collections compared to the projected amount of \$592,494 or 25%. Additional staff hours were devoted to delinquent collections in FY 2010-11 which accounted for the increased percentage of amounts collected. Collections are expected to meet targeted levels for FY 2011-12. Comparable county data is not available.

Department Goal: Implement cost justified, proven technologies to improve automated processing and reporting systems to provide current, accessible, and accurate information for the public.

Communitywide Result Link: A well-governed community.

10. Performance Measure: Percentage of the customer service program that has been implemented which enables the public to review and transact business on-line.

06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
70%	75%	80%	84%	90%	80%	85%

What: The Treasurer, Tax Collector, Public Administrator website will be modified to allow for electronic commerce with the community. The department's Customer Service Program (CSP) is implemented in modules with the major portions of the program already in operation to benefit customers, such as Taxes on the Web (TOW) and the Property Tax Management System (PTMS). Over the course of the project, the program has expanded as additional customer needs are identified. This measure tracks the percentage of the implemented online services that will enable the public to review and transact business online.

Why: The ability to transact business on-line 24/7 is an important tool to improve the quality of service to the community. This measure reflects the Treasurer Office's progress in implementing online services to better serve the community.

How are we doing? The modules being added to the CSP are the development of a customer web interface for businesses that make transient occupancy tax payments, and a phone call logging system to more accurately record and track tax issues and tax information provided on individual property assessments. Both modules will provide customers with faster services. The addition of these modules has increased the original scope of the program. This does not delay the development or improvement of existing modules. If not for the expansion of the overall program, the targeted percentage would have been met. In FY 2011-12, the implemented target is reduced to 85% and allows for the additional modules.

Department Goal: Expeditiously investigate and administer the estates of deceased County residents when there is no executor or administrator to protect estate assets in the best interests of the beneficiaries, creditors, and the County.

Communitywide Result Link: A well-governed community.

11. Performance Measure: Percentage of referrals to the Public Administrator that are completed with an initial investigation report, burial arrangements, and any required initial legal filing within 15 business days.

06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Actual Results	10-11 Adopted	10-11 Actual Results	11-12 Target
100%	100%	100%	80%	100%	100%	100%

What: Measures the processing time for cases referred to the Public Administrator when no one is willing or able to take on a decedent's estate administration.

Why: This measure demonstrates the County's compliance with legal requirements and the expediency with which the County protects estate assets.

How are we doing? All cases referred to the Public Administrator are investigated and a decision to accept or decline the case is made within 15 business days. Each estate investigation begins immediately upon notification. The procedure involves extensive asset investigations, family location processes, and burial arrangements. In FY 2010-11, 25 estate referrals were investigated. In 21 of those estate investigations, either an heir or responsible person was located to administer the estate, or it was determined that there were no estate assets to administer. The remaining four estates were administered by the Public Administrator pursuant to the California Probate Code, along with eight open estates from the previous fiscal year. The Public Administrator will continue to promptly investigate and determine estate administrations within 15 business days in FY 2011-12.