

## **Fiscal and Administrative**

Administrative Office  
Organizational Development

Assessor

Auditor-Controller

Board of Supervisors

Clerk-Recorder

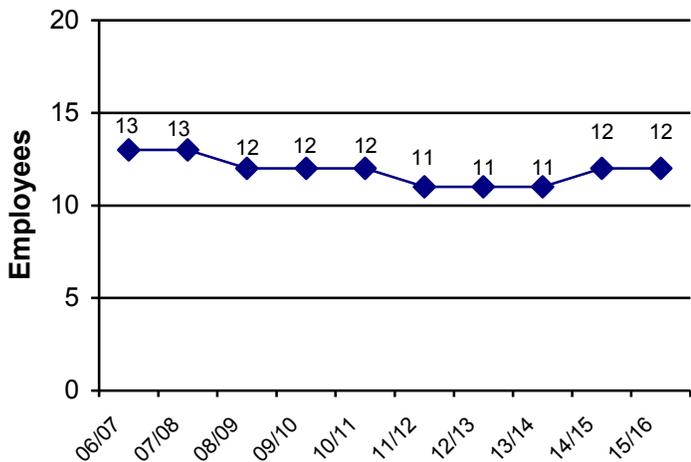
Treasurer-Tax Collector-Public Administrator

**MISSION STATEMENT**

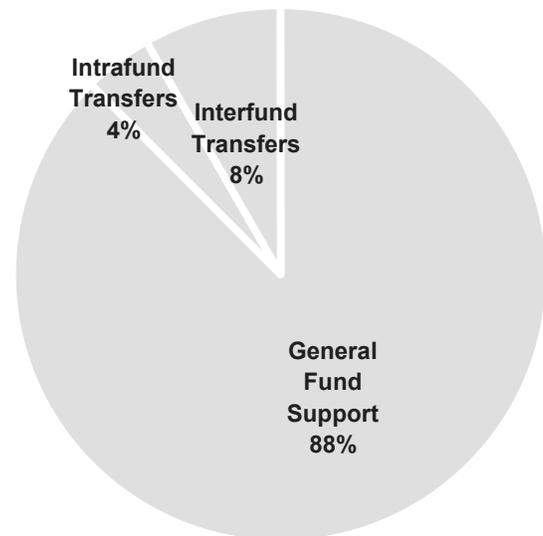
Advise, interpret, and implement the goals and policies of the Board of Supervisors through effective leadership and management of County services to achieve the County's vision of a safe, healthy, livable, prosperous, and well-governed community.

	2013-14	2014-15	2015-16	2015-16	2015-16
<u>Financial Summary</u>	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Intergovernmental Revenue	\$ 0	\$ 663	\$ 0	\$ 0	\$ 0
Charges for Current Services	50	105	0	0	0
Interfund	29,229	45,080	172,929	172,929	172,929
<b>**Total Revenue</b>	<b>\$ 29,279</b>	<b>\$ 45,848</b>	<b>\$ 172,929</b>	<b>\$ 172,929</b>	<b>\$ 172,929</b>
Salary and Benefits	1,530,494	1,654,609	1,910,620	1,882,646	1,882,646
Services and Supplies	104,112	161,163	234,830	197,089	197,089
<b>**Gross Expenditures</b>	<b>\$ 1,634,606</b>	<b>\$ 1,815,772</b>	<b>\$ 2,145,450</b>	<b>\$ 2,079,735</b>	<b>\$ 2,079,735</b>
Less Intrafund Transfers	85,103	87,885	85,000	85,000	85,000
<b>**Net Expenditures</b>	<b>\$ 1,549,503</b>	<b>\$ 1,727,887</b>	<b>\$ 2,060,450</b>	<b>\$ 1,994,735</b>	<b>\$ 1,994,735</b>
General Fund Support (G.F.S.)	<u>\$ 1,520,224</u>	<u>\$ 1,682,039</u>	<u>\$ 1,887,521</u>	<u>\$ 1,821,806</u>	<u>\$ 1,821,806</u>

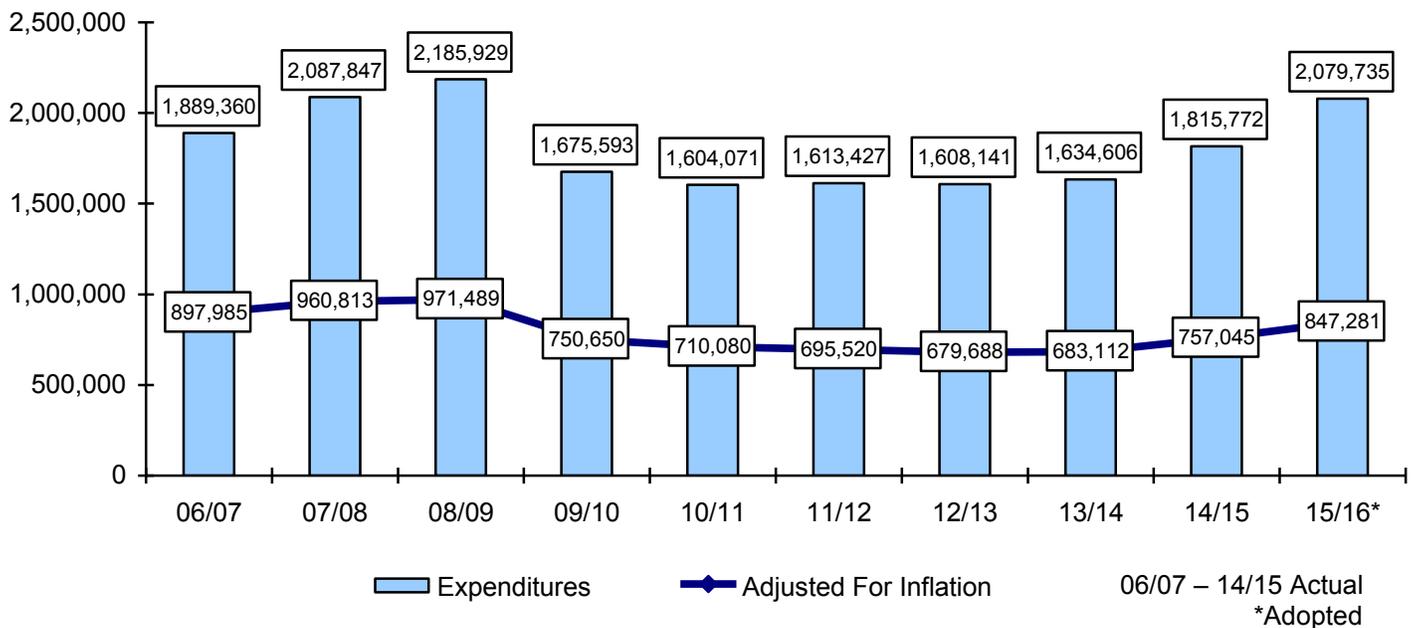
**Number of Employees  
(Full Time Equivalent)**



**Source of Funds**



### 10 Year Expenditures Adjusted For Inflation



**SERVICE PROGRAMS**

The Administrative Office has a total expenditure level of \$2,079,735 and a total staffing level of 12.00 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. This 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. Conducts activities such as providing policy analysis and guidance, troubleshooting, and keeping departments up to date on important issues.

Total Expenditures: \$1,909,735 Total Staffing (FTE): 11.00

**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, coordinating State and Federal legislative platforms, and developing and managing 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: working to implement a long-term water management system to find solutions to water demand and supply imbalances; leading the County’s Drought Task Force; guiding implementation of the County’s 10-year Plan to End Homelessness; working towards the formation of a governance structure to oversee development and implementation of a County Energy Strategy; implementation of a Countywide Economic Strategy; and, continued focus on moving forward with systems and facility modernization projects.

Following are some of the department’s notable accomplishments for FY 2014-15 and some specific objectives for FY 2015-16:

**FY 2014-15 Accomplishments**

- Provided financial leadership that resulted in the County’s bond rating being increased from AA+ to AAA.
- Led a County Drought Task Force to create contingency and emergency plans for the most vulnerable communities and provided 15 updates to the Board of Supervisors including the 2014 Water Summit.
- Contributed to the creation of statewide water legislation to help address long-term imbalances between supply and demand.
- In cooperation with Human Resources, created the Learning and Development Center to replace the Employee University and better address professional development needs and aide in succession planning efforts.
- Expanded the use of the automated agenda management system by integrating the Planning Commission which significantly reduced the amount of printed agendas, thereby reducing the environmental impacts of producing agendas and increasing cost savings in paper.

**FY 2015-16 Objectives**

- Continue to coordinate the programs and services provided by multiple departments to ensure that the County is able to provide vital services to residents.
- Acquire and begin implementation of a new budget preparation system that will replace the current system that is over 20 years old and mitigate impacts of the enterprise system upgrade to County departments.
- Monitor and assess the impacts of AB 109 (Public Safety Realignment) in collaboration with the Community Corrections Partnership to develop metrics to track the effectiveness of the implementation.
- Continue to monitor the impacts and aid in the implementation of the requirements of the Pavley-Dickinson Act to address groundwater supply and demand imbalances.
- Continue to coordinate the County Drought Task Force; monitor drought conditions, continue water use reduction and County preparedness efforts.

- Led a team of representatives from the Sheriff, Social Services and Probation to develop a process to assist inmates in enrolling in Medi-Cal or Covered California while still incarcerated to lower the cost of medical claims to the county. A total of 952 applications have been completed over the past 12 months.
- Led the Energy Community of Interest and Executive Steering committee in the development of long term strategies to improve energy efficiency and increase use of renewable resources in County facilities.
  - Developed a master data base with accurate and complete information on County facilities including inventory, metering and sub metering profile, annual energy use/cost since 2006 to improve the ability to track and evaluate energy usage over time.
  - Benchmarked County buildings to compare energy use with like facilities in other jurisdictions.
  - Contracted with PG&E under the Sustainable Solutions Turnkey program to audit facilities with highest energy use and identify efficiency measures to reduce energy use and cost.
- Directed the reorganization of the General Services Agency into four independent departments to enhance customer service and responsiveness.
- Co-led, with Information Technology, the initial phases of the effort to replace the County's Budget Preparation system.
- Published the 5<sup>th</sup> County Annual Report, complete with improved infographics, written narratives and short videos to inform the public about the County's efforts and accomplishments in 2014.
- Led cooperative partnership with the Homeless Services Oversight Council and Transitions Mental Health Association to implement the 50Now program which provides housing for 50 of the County's most vulnerable and chronically homeless individuals. To date, 26 individuals have been housed.
- Received 4th consecutive Government Finance Officers Association (GFOA) Distinguished Budget Award for the FY 2014-15 Final Budget representing a budget document of the very highest quality and best budget practices.
- Publish a 6<sup>th</sup> consecutive County Annual report that incorporates feedback on prior reports and continues to implement new techniques and technologies that increase ease of access and clarity.
- Support efforts of the Health Agency and General Services to finance and construct a new animal shelter, including working with the seven cities to agree on a cost sharing methodology.
- Provide assistance to Homeless Services Oversight Council and Transitions Mental Health Association to work toward full implementation of the 50Now program as well as working to encourage increased availability of affordable housing.

**COUNTY ADMINISTRATOR’S COMMENTS AND RECOMMENDATIONS**

The recommended budget includes \$1,821,806 of General Fund support, an increase of \$126,106 or 7% from FY 2014-15 adopted levels. One budget augmentation request is recommended for inclusion in the FY 2015-16 budget. This budget augmentation request is for the software, consulting, and an ITD Project Manager for the Budget Preparation (BP) replacement project. Full cost for this project is budgeted in Fund Center (FC) 266 – Countywide Automation Replacement and is not part of the Administrative Office budget.

Revenue is recommended to increase \$36,764 or 26% as a result of the Limited Term Analyst position for the BP project. The position was budgeted in FY 2014-15 but filled at a higher level in the career series. This position is funded through a transfer into FC 104 – Administrative Office from FC 266 - Countywide Automation without the use of additional General Fund support.

Expenditures are recommended to increase by \$162,924 or 8% from FY 2014-15 adopted levels. Salaries and benefits are increasing by \$178,609 or 10%. The drivers of this increase are a result of career series promotions, step increases and negotiated cost of living adjustments. Funding for the Limited Term Analyst position in the amount of \$141,895, will be offset by a transfer in from FC 266. There is a decrease of \$15,685 or 7% in services and supplies from FY 2014-15 adopted levels mainly due to a decrease of \$37,640 or 51% in the professional and special services account, funding for outside consulting services.

**BOARD ADOPTED CHANGES**

None.

**BUDGET AUGMENTATION REQUESTS ADOPTED**

<b>Unit Amount</b>	<b>Description</b>	<b>Results</b>
Gross Amount: \$1,115,000 funded through FC 266- Countywide Automation Replacement  General Fund: \$0  Note: The \$1,115,000 is not included as part of the Administrative Office budget. Full cost is budgeted in Fund Center 266 - Countywide Automation Replacement.	Funding for software, consulting, and an ITD Project Manager for the Budget Preparation (BP) replacement project.	A new Budget Preparation (BP) system will: <ol style="list-style-type: none"> <li>1. Replace an obsolete, unsupported system.</li> <li>2. Provide departments with a supportable, user-friendly, functionally rich, and modern software product;</li> <li>3. Increase the reliability and availability of the BP system;</li> <li>4. Save time by reducing efforts required to manually produce budget documents; and</li> <li>5. Increase the integration between the new BP system and other, existing systems such as SAP.</li> </ol>

**GOALS AND PERFORMANCE MEASURES**

<p><b>Department Goal:</b> To ensure the long-term financial stability of the County.</p> <p><b>Communitywide Result Link:</b> <input type="checkbox"/> Safe <input type="checkbox"/> Healthy <input type="checkbox"/> Livable <input checked="" type="checkbox"/> Prosperous <input checked="" type="checkbox"/> Well-Governed Community</p>						
<p><b>1. Performance Measure: Ratio of General Fund backed annual debt service to the annual General Fund budget.</b></p>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
3.5%	3.4%	3.5%	3.2%	3.2%	3.0%	3.0%
<p><b>What:</b> This measure shows the ratio of the General Fund backed annual debt service to the annual General Fund budget.</p> <p><b>Why:</b> 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.</p> <p><b>How are we doing?</b> A ratio under 5% is considered to be favorable by bond rating agencies. This ratio is projected to remain constant as none of the debt obligations are scheduled to be paid off in FY 2015-16, and no new debt is currently planned.</p>						
<p><b>Department Goal:</b> To ensure the long-term financial stability of the County.</p> <p><b>Communitywide Result Link:</b> <input type="checkbox"/> Safe <input type="checkbox"/> Healthy <input type="checkbox"/> Livable <input checked="" type="checkbox"/> Prosperous <input checked="" type="checkbox"/> Well-Governed Community</p>						
<p><b>2. Performance Measure: Ratio of total contingencies and reserves to the County's General Fund operating budget.</b></p>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
20.8%	20.5%	20%	24%	24%	27%	20%
<p><b>What:</b> This measure shows how much money the County has in "savings" relative to our daily, ongoing expenses.</p> <p><b>Why:</b> 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.</p> <p><b>How are we doing?</b> 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). A ratio of 27% of reserves to ongoing general fund expenses is above the industry standard due to sound fiscal management and capital and infrastructure projects that had been deferred due to the economic downturn. This ratio is expected to decline towards the industry standard in future years as funding for deferred projects is committed.</p>						
<p><b>Department Goal:</b> To provide high quality staff support in an effort to maximize the effectiveness of the Board of Supervisors.</p> <p><b>Communitywide Result Link:</b> <input type="checkbox"/> Safe <input type="checkbox"/> Healthy <input type="checkbox"/> Livable <input type="checkbox"/> Prosperous <input checked="" type="checkbox"/> Well-Governed Community</p>						
<p><b>3. Performance Measure: Percentage of Board members who respond to a survey indicating that Administrative Office staff provide satisfactory or better agenda support.</b></p>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
100%	100%	100%	100%	100%	100%	100%
<p><b>What:</b> 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><b>Why:</b> The information gained from this survey allows us to continuously improve staff support to the Board.</p> <p><b>How are we doing?</b> The January 2015 survey consisted of a series of seven questions, with responses ranging from 1 (Unsatisfactory) to 5 (Outstanding), with a score of 3 representing Satisfactory. The Administrative Office received an average score of 3.6. The Administrative Office continues to strive for constant improvement in providing Board members with superior quality agenda support. The next survey is scheduled for January 2016.</p>						

**Department Goal:** To provide high quality staff support in an effort to maximize the effectiveness of County departments and the Board of Supervisors.

**Communitywide Result Link:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

**4. Performance Measure: Average percentage of responses to a survey indicating the Administrative Office staff provides satisfactory or better support services.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
98%	100%	100%	100%	100%	100%	100%

**What:** The County Administrative Office surveys departments annually to determine their level of satisfaction with our staff support relative to accuracy, responsiveness, responsibility, timeliness and trustworthiness.

**Why:** The information gained from this survey allows us to continuously improve our service to departments and the Board.

**How are we doing?** Based upon the 513 responses to the survey conducted in March 2015, the Administrative Office is providing satisfactory or better support services to departments as demonstrated by an average score of 4.29 on a 5 point scale. This is an increase from FY 2013-14 that had an average score of 4.11. This survey will next will be conducted in February or March 2016.

**Department Goal:** To create an environment whereby all employees feel valued and are proud to work for the County.

**Communitywide Result Link:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

**5. Performance Measure: Overall average employee job satisfaction rating (on a 6 point scale).**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
TBD- Survey Delayed	TBD- Survey Delayed	TBD- Survey Delayed	TBD- Survey Delayed	TBD- Survey Delayed	TBD- Survey Delayed	5.0

**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.

**Why:** This information is used to help assess our organizational health and identify areas for improvement.

**How are we doing?** An Employee Engagement and Needs Assessment Survey was performed by the Centre for Organizational Effectiveness in May 2014. Overall, a total of 1,532 responses were received from a possible 2,419 employees, a response rate of 63%. Employees rated their responses on a scale of 1 to 6, where a score of 1 represented Strongly Disagree, 4 representing Somewhat Agree and a score of 6 representing Strongly Agree. Employees ranked their Job/Career satisfaction an average of 4.62, County Leadership an average of 4.72 and Overall Satisfaction 4.96. This indicates the majority of County employees responding are satisfied with their job. Plans for the next Engagement and Needs Assessment are still to be determined.

**Department Goal:** To create an environment whereby all employees feel valued and are proud to work for the County.

**Communitywide Result Link:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

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

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
2.49	2.51	2.51	2.45	2.45	2.35	2.35

**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.

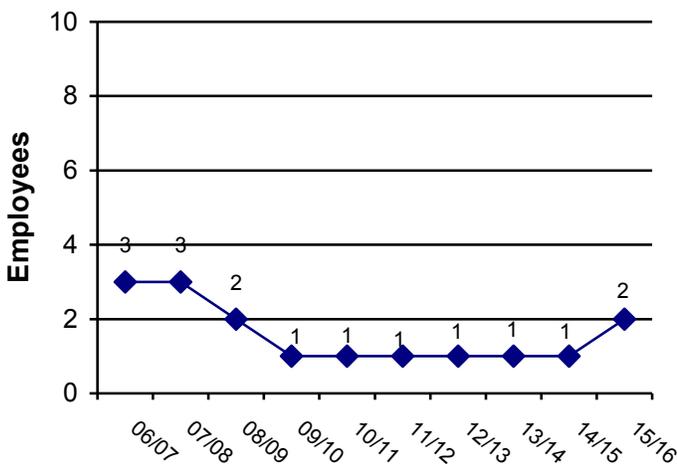
**How are we doing?** The total FTE budget analyst staffing levels per 1,000 employees for our comparable counties ranges from a high of 3.68 in Napa County to a low of 1.49 in Monterey County. The average ratio of analysts per 1,000 employees was 2.89 for comparable counties, and 2.35 for San Luis Obispo County.

**MISSION STATEMENT**

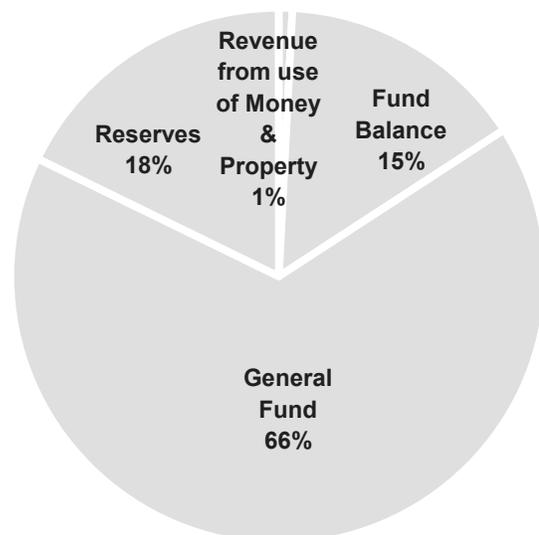
To continuously improve the quality and effectiveness of services provided to the public through interactive communication, strategic planning, organizational reviews, leadership development and staff training in support of the County's organizational goals and objectives.

	2013-14	2014-15	2015-16	2015-16	2015-16
<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	\$ 4,438	\$ 8,590	\$ 7,200	\$ 7,200	\$ 7,200
Charges for Current Services	1,697	0	0	0	0
Other Revenues	0	1	0	0	0
Other Financing Sources	450,000	900,000	450,000	604,839	604,839
Total Revenue	\$ 456,135	\$ 908,591	\$ 457,200	\$ 612,039	\$ 612,039
Fund Balance Available	\$ 175,350	\$ 95,154	\$ 137,866	\$ 137,866	\$ 134,328
Cancelled Reserves	0	116,997	163,633	161,412	164,950
Total Financing Sources	\$ 631,485	\$ 1,120,742	\$ 758,699	\$ 911,317	\$ 911,317
Salary and Benefits	\$ 58,378	\$ 79,921	\$ 104,782	\$ 281,771	\$ 281,771
Services and Supplies	298,947	634,684	653,917	629,546	629,546
Other Charges	0	0	0	0	0
Fixed Assets	0	0	0	0	0
Gross Expenditures	\$ 357,325	\$ 714,605	\$ 758,699	\$ 911,317	\$ 911,317
Contingencies	0	0	0	0	0
New Reserves	119,436	297,093	0	0	0
Total Financing Requirements	\$ 476,761	\$ 1,011,698	\$ 758,699	\$ 911,317	\$ 911,317

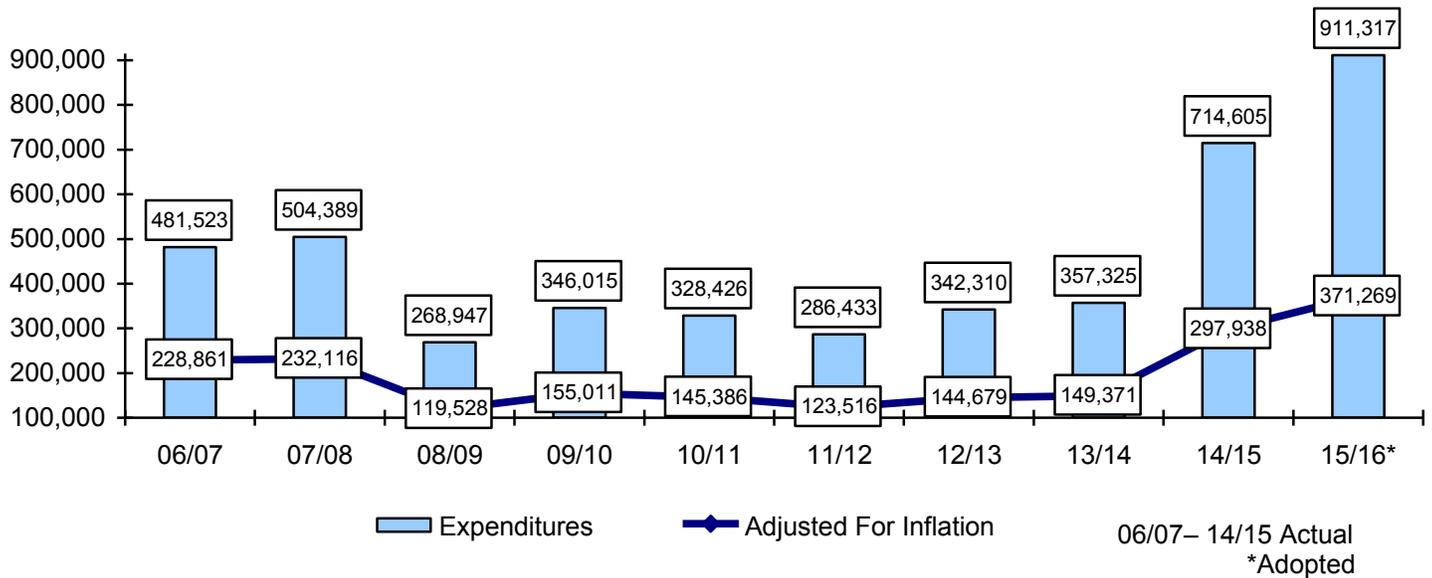
**Number of Employees  
(Full Time Equivalent)**



**Source of Funds**



### 10 Year Expenditures Adjusted For Inflation



#### SERVICE PROGRAMS

Organizational Development has a total expenditure level of \$911,317 and a total staffing level of 2.00 FTE to provide the following services.

#### Employee Development and Training

The Learning and Development Center provides educational and career development for employees, as well as facilitation, mediation and specialized training for County departments.

Total Expenditures: \$688,159 Total Staffing (FTE): 1.00

#### Social Media and Communications

This service provides for the development and implementation of the variety of web technologies that enable interactive and highly accessible communication. This allows increased County and department responsiveness, improves information sharing, and facilitates greater public interaction.

Total Expenditures: \$143,158 Total Staffing (FTE): 1.00

#### Organizational Effectiveness

This service program provides support for departments geared toward creating a high performance “results oriented” County organization, including strategic planning, goal setting and performance measurement

Total Expenditures: \$80,000 Total Staffing (FTE): 0.00

#### COUNTY ADMINISTRATOR’S COMMENTS AND RECOMMENDATIONS

The Organizational Development program was established to develop and implement initiatives or services that support a high-performing organization, specifically related to employee development and training, as well as communications.

Initiatives for FY 2014-15 included:

- Continuing a three-year contract with The Centre for Organization Effectiveness for employee development and consultation services through the County’s Learning and Development Center (LDC).
- Launching two new employee development academies for supervisors, managers and executives.
- Conducting a countywide communications assessment and perception audit to improve county services and programs.
- Developing a countywide communications plan.
- Coordinating strategic support for social media outreach across all County departments.

Total revenue for Organizational Development is expected to decrease by \$291,961 or 32%, due to a combination of a decrease in General Fund support and an increase in projected interest income. FY 2015-16 recommended revenues look deflated, but this does not account for the use of one-time funds received in FY 2014-15. The FY 2014-15 status quo General Fund support was \$450,000, but the County allocated an additional amount of \$200,000 in one-time funding from Fund Balance Available (FBA) to Organizational Development in the recommended budget submittal. An additional \$250,000 of one-time funding was allocated to increase countywide training reserves in the FY 2014-15 final budget.

Salaries and benefits are recommended to increase by \$178,642 or 173% due to a combination of wage and benefit increases and the addition of 1.00 FTE Personnel Analyst per the Budget Augmentation Request below. Services and supplies are recommended to decrease by \$86,383 or 12% due to a decrease in fund transfers to other departments whose staff typically support the activities of the LDC, as well as a decrease in countywide training overhead.

Fund balance in the amount of \$137,866 and cancelled reserves in the amount of \$161,412 will be used in addition to the General Fund to provide total appropriations of \$911,317, which will provide employee development and training services, social media and communications programs, and departmental support in strategic planning, goal setting and performance measurement.

A 1.00 FTE Personnel Analyst I, II or III is recommended to be added to the Position Allocation List to maintain the service levels for the LDC. The position is described in the following table.

**BOARD ADOPTED CHANGES**

Organizational Development has two financing sources: (1) Fund Balance Available and (2) Cancelled Reserves. When the budget was originally created, the County estimated that the Fund Balance Available would be \$137,866, but the actual amount turned out to be \$134,328, a \$3,538 difference. To balance the Organizational Development budget, the County increased the amount that it’s pulling out of reserves designated for countywide training by \$3,538. This accounts for the increase in Cancelled Reserves from the recommended \$161,412 to the adopted \$164,950.

**BUDGET AUGMENTATION REQUESTS ADOPTED**

<b>Unit Amount</b>	<b>Description</b>	<b>Results</b>
Gross: \$155,416 General Fund Support: \$155,416	Add 1.00 FTE Personnel Analyst III to act as the Training/Employee Development Manager for the Learning and Development Center.	<ol style="list-style-type: none"> <li>1. Increase staffing and programs to meet significant service demands and goals for organizational excellence.</li> <li>2. Maintain a meaningful countywide employee training program.</li> <li>3. Manage LDC vendors and contracts.</li> <li>4. Continue to implement supervisor and management academies.</li> <li>5. Develop and present curriculum for a variety of employee courses geared toward training</li> </ol>

		and development. 6. Expand training and development offerings to line-level staff for succession planning purposes.
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**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:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

**1. Performance Measure: Overall average participant satisfaction rating of training programs offered by the Learning and Development Center.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
4.6	4.6	4.6	4.3	4.6	4.4	4.3

**What:** Provides data on participant overall satisfaction with Learning and Development Center (LDC) training courses (on a scale of 1-5 with 1 = "poor" 2= fair, 3=good, 4= very good 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 LDC.

**How are we doing?** In FY 2014-15, the LDC offered more training classes to more County employees than ever before. A total of 150 classes were offered and, after each class, the LDC sent an e-survey to all participants. The surveys received 529 responses in FY 2014-15, which is a 667% increase over the previous year's 69 responses. Of the responses in FY 2014-15, the average rating for overall satisfaction of training programs offered by the LDC was 4.4, which indicates that participants think the LDC training classes are generally very good.

**2. Performance Measure: Percentage of County employees annually impacted by the Learning and Development Center.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
New Measure	New Measure	New Measure	New Measure	New Measure	New Measure	30%

**What:** Provides data on the percentage of County employees taking advantage of the courses offered through the Learning and Development Center (LDC), which will be tracked by the LDC staff. This does not include mandatory training.

**Why:** This data reveals the saturation of LDC teaching into the organization. This can indicate how successfully the center promotes its offerings and can also indicate the quality of the offerings.

**How are we doing?** This is a new measure for FY 2015-16. In addition to the single year target, the center's long-term goal would be that all employees have taken at least one class within a five-year period.

**3. Performance Measure: Percentage of eligible County employees who are impacted by Leadership Academy training.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
New Measure	New Measure	New Measure	New Measure	New Measure	New Measure	30%

**What:** Provides data on the percentage of eligible staff members who successfully completed Leadership Academy training.

**Why:** This data provides information on how well the Learning and Development Center's various academies permeate into the organization, how effective the center is at promoting the academies, and the commitment of upper management to the mission of the center.

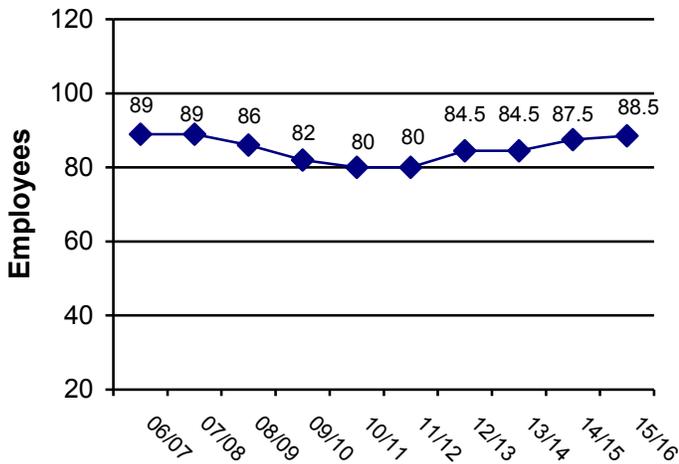
**How are we doing?** This is a new measure for FY 2015-16. The County currently contracts with the Centre for Organizational Excellence to provide leadership training academies for County supervisors, managers and executives. Approximately 450 County employees are eligible for these leadership academies. The Learning and Development Center plans to conduct up to two academies for each group, reaching a target 145 employees each year for the next three years.

**MISSION STATEMENT**

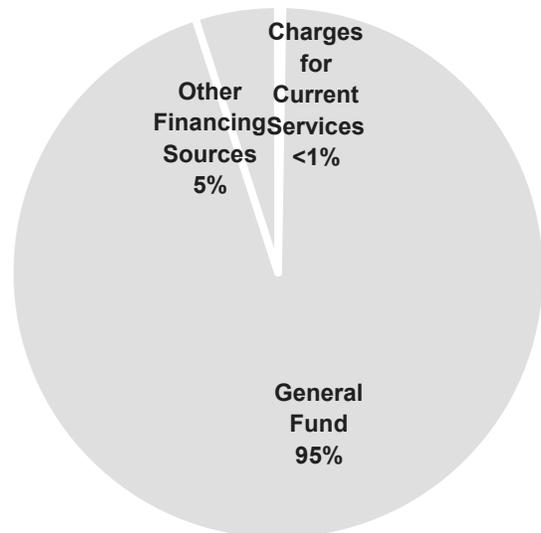
The Assessor and staff seek excellence in providing information, services, and accurate property assessments through our personal commitment to integrity, mutual respect, and teamwork.

Financial Summary	2013-14	2014-15	2015-16	2015-16	2015-16
	Actual	Actual	Requested	Recommended	Adopted
Intergovernmental Revenue	\$ 30,000	\$ 0	\$ 0	\$ 0	\$ 0
Charges for Current Services	30,212	36,347	37,500	37,200	37,200
Other Revenues	832	867	0	0	0
Other Financing Sources	0	25,532	418,261	443,261	443,261
Interfund	249,719	184,431	0	0	0
<b>**Total Revenue</b>	<b>\$ 310,763</b>	<b>\$ 247,177</b>	<b>\$ 455,761</b>	<b>\$ 480,461</b>	<b>\$ 480,461</b>
Salary and Benefits	7,566,748	8,057,646	8,772,583	8,769,959	8,769,959
Services and Supplies	868,251	861,937	798,145	825,882	825,882
Fixed Assets	100,325	17,551	10,000	10,000	10,000
<b>**Gross Expenditures</b>	<b>\$ 8,535,324</b>	<b>\$ 8,937,134</b>	<b>\$ 9,580,728</b>	<b>\$ 9,605,841</b>	<b>\$ 9,605,841</b>
Less Intrafund Transfers	329	517	0	0	0
<b>**Net Expenditures</b>	<b>\$ 8,534,995</b>	<b>\$ 8,936,617</b>	<b>\$ 9,580,728</b>	<b>\$ 9,605,841</b>	<b>\$ 9,605,841</b>
General Fund Support (G.F.S.)	<u>\$ 8,224,232</u>	<u>\$ 8,689,440</u>	<u>\$ 9,124,967</u>	<u>\$ 9,125,380</u>	<u>\$ 9,125,380</u>

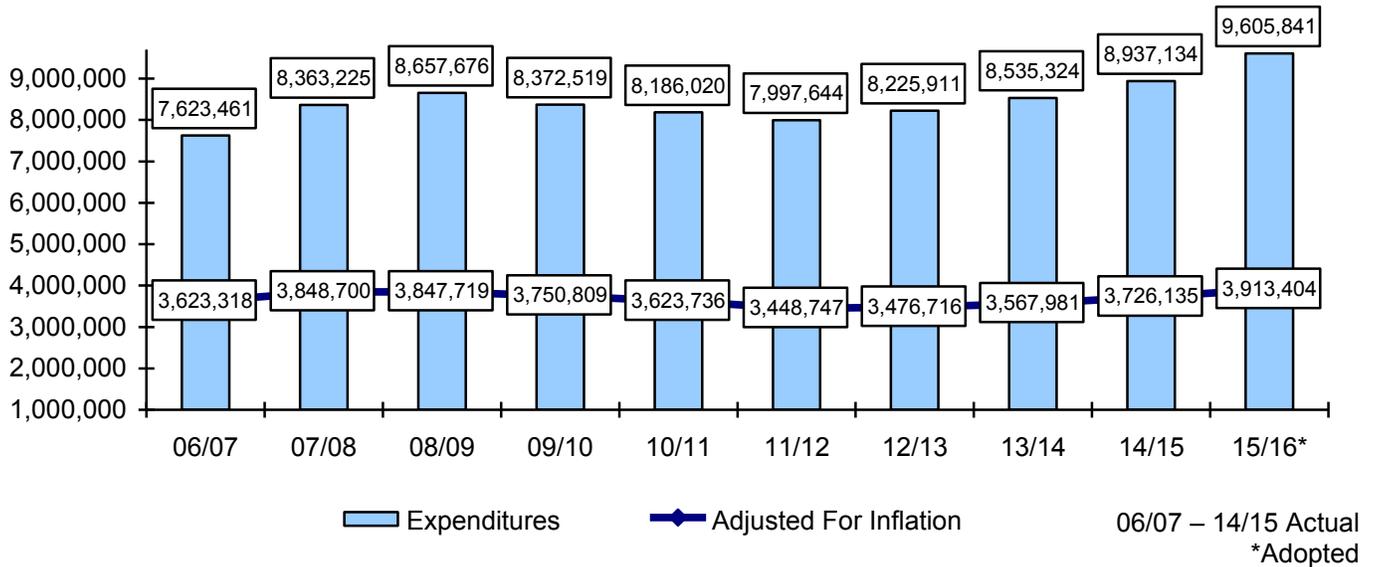
**Number of Employees  
(Full Time Equivalent)**



**Source of Funds**



**10 Year Expenditures Adjusted For Inflation**



**SERVICE PROGRAMS**

The Assessor has a total expenditure level of \$9,605,841 and a total staffing level of 88.50 FTE to provide the following services:

**Administration/Standards**

Oversee the preparation of all property assessments; analyze and track legislation pertaining to property taxes; develop and implement procedures based upon new legislation; compile and deliver internal and state mandated reports to appropriate agencies; process and track all assessment appeals. Coordinate office operations; manage human resource functions and issues; oversee training for staff; coordinate accounts payable and payroll; and develop and monitor the department’s budget.

Total Expenditures \$864,526 Total Staffing (FTE): 8.00

**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 and make recommendations to the Assessment Appeals Board for all assessment appeals submitted by property owners.

Total Expenditures: \$3,938,395 Total Staffing (FTE): 37.00

**Automation**

Implement and monitor the automated systems within the department. Oversee systems security and the development, implementation, and maintenance of automation networks, work stations, software, and miscellaneous hardware utilized in processing the assessment roll.

Total Expenditures: \$1,056,642 Total Staffing (FTE)\*: 9.50  
\*Includes 4.5 Limited Term (Property Tax System Modernization Project)

**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.

Total Expenditures: \$672,409 Total Staffing (FTE): 6.00

**Roll Preparation**

Update and maintain property assessment records. This includes creating and maintaining property parcel maps and GIS applications, 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: \$3,073,869 Total Staffing (FTE): 28.00

**DEPARTMENT COMMENTS**

The Assessor is constitutionally responsible for locating taxable property, identifying ownership, and determining the value of real, business, and personal property within the County of San Luis Obispo. The Assessor is mandated to complete an annual assessment roll reporting the assessed values for all properties within the County. Preparation of the assessment roll includes administering lawfully established exemptions that benefit property owners. In addition, the Assessor must maintain a current mapping and ownership database for the public to access.

As FY 2015-16 approaches, the Assessor and his staff will continue to address a challenging combination of issues. The real estate market's decline in property values, which began in 2006, continues to amplify staff's workload and this is anticipated to continue beyond FY 2015-16. Each property with a decline in value must be reviewed annually until such time as the market value has risen above the Proposition 13 Factored Base Year Value.

The Assessor's Office, in conjunction with other departments, continues its involvement in the Property Tax System Modernization Project (PTSMP). The project will move the Property Tax System off of the mainframe and re-host it on a new computing platform. The project has been very time consuming which magnifies the issue of workload backlogs. The project currently is expected to be completed by the end of 2015.

Along with several other County departments, the Assessor's Office is experiencing a high percentage of its long-term staff retiring. The resulting loss of institutional knowledge has lowered office productivity. In an effort to offset this trend, the department continues to emphasize staff training and development as a top priority. As part of the succession planning efforts, the department is also focused on procedural documentation and cross training in each section to broaden and strengthen the knowledge base amongst all staff.

Following are some of the department's notable accomplishments for FY 2014-15 and some specific objectives for FY 2015-16:

**FY 2014-15 Accomplishments**

- Updated the public facing website to include topics of current interest, information on property valuation, frequently asked questions, and a forms library to provide a more user friendly tool for all stakeholders.
- Tested the Assessor's processes and databases within the converted system using test scripts processes and batch reports as a critical component piece of the PTSMP.

**FY 2015-16 Objectives**

- Partner with the vendor contracted to convert assessor parcel map data into Geographic Information Systems (GIS) data, which will improve accuracy of map data by providing quality control during the conversion process.
- Complete PTSM by the end of 2015. Department staff will continue to be heavily involved in testing and implementation of the new system.

- Resolved 150 assessment appeals in the first half of FY 2014-15, and retained \$194,504,692 of the total assessed value at risk on the assessment roll.
- Migration to Microsoft Office 2013 was successfully completed and updated training was provided for all staff.
- The opening of the new North County Service Center on July 14, 2014 was coordinated with the Clerk Recorder, Planning and Building, Library and General Services to ensure no interruptions to public service.
- Eliminate work backlogs of 8,633 work items by the end of FY 2015-16, which were the result of the market downturn in 2006 and which will still exist at the end of FY 2014-15.
- The succession plan continues to focus on documentation of critical activities and their sequence within office processes while also focusing on staff training and cross-training.
- Upgrade two systems that are critical to the determination of property value by July 2015. The systems are the Attribute Inventory that handles the property characteristics and Assessment Evaluation Service used to determine property value based on the stored characteristic data.

### **COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS**

The level of General Fund support for this budget is recommended to increase \$352,841 or 4% compared to FY 2014-15 adopted levels. Revenues are recommended to increase \$13,455 or 2% and total expenditures are recommended to increase \$366,296 or 3% when compared to FY 2014-15 adopted levels.

Revenues are increasing primarily due to a \$9,000 increase in charges for current services and a \$4,755 increase in reimbursement revenue for the Property Tax System Modernization Project (PTSMP) from Fund Center 266 – Countywide Automation Replacement. The reimbursement revenue for the PTSMP offsets the salary & benefit expenditures for the 4.5 FTE limited term positions allocated for the project.

Salary and benefits are recommended to increase \$422,966 or 5% due to a wage and benefit contribution increase for staff positions, mid-year classification updates resulting in Position Allocation List (PAL) changes, and the recommended budget augmentation requests to add 1.0 FTE Appraiser Trainee position (outlined below) to the PAL.

Services and supplies are recommended to increase \$11,330 or 1% due to a variety of factors. Maintenance contracts are increasing by \$17,900 due primarily to an increase for current programming services. Inter-department charges are increasing by \$15,819 due to various changes in departmental charges. The increase in services and supplies is partially offset by decreases in various accounts. Postage charges are decreasing by \$5,000 due to a change for the Assessor's annual mailings. Data communication charges are decreasing by \$6,000 because of the move into the North County Services Center. There is a \$7,200 decrease in significant value purchases due to a decrease in computer purchases and a \$7,100 decrease in training expenses.

Fixed assets are recommended to decrease \$68,000 or 87%. A replacement copier at a cost of \$10,000 is the only fixed asset expense recommended in FY 2015-16.

The addition of 1.0 FTE Appraiser Trainee position (discussed below) will assist in addressing the increased workload concerns including a backlog of workload items due to the economic downturn.

The FY 2015-16 recommended PAL for the Assessor includes a net increase of 1.0 FTE compared to FY 2014-15 adopted levels.

#### FY 2014-15 Mid-Year PAL Changes

Classification Updates (Board Approved 8/12/2014)

- -4.0 FTE Property Transfer Technician II positions due to classification updates
- +2.0 FTE Property Transfer Technician III positions due to classification updates
- +2.0 FTE Property Transfer Technician IV

FY 2015-16 Recommended PAL Changes

- +1.0 FTE Appraiser Trainee positions to assist in increased workload

**BOARD ADOPTED CHANGES**

None.

**BUDGET AUGMENTATION REQUESTS ADOPTED**

<b>Unit Amount</b>	<b>Description</b>	<b>Results</b>
Gross: \$25,000, funded through FC 266- Countywide Automation Replacement (total cost of \$150,000 over six years)  General Fund support:\$0	Historic Map Preservation and Storage - Year 3 of 6  Continuation of funding to properly preserve, scan for digital retrieval, microfilm, and acquire storage for historic maps.	<ol style="list-style-type: none"> <li>1. Properly preserve historic maps over a six year period on the following timetable: <ul style="list-style-type: none"> <li>• Year 1- Township Maps of San Luis Obispo County</li> <li>• Year 2- Subdivision and Re-subdivision Maps</li> <li>• Years 3-4- City of San Luis Obispo blocks</li> <li>• Years 5-6- City of San Luis Obispo subdivisions</li> </ul> </li> <li>2. Assure that historic maps are preserved and available as a part of the public record for 300-500 years in the future as required by the State.</li> <li>3. Enable the department to provide accurate assessment rolls in the future.</li> </ol>
Gross: \$60,710  General Fund support: \$60,710	Add 1.0 FTE Appraiser Trainee	Assist in addressing the backlog of work due to the economic downturn, which has caused an increase in the number of Prop 8 "Decline In Value" reviews. The position would address on average 700 work items annually equating to approximately \$333,606 in additional property tax revenue added to the roll.

**BUDGET AUGMENTATION REQUESTS NOT ADOPTED**

<b>Unit Amount</b>	<b>Description</b>	<b>Results</b>
Gross: \$100,000  General Fund support: \$100,000	Scan over 1,100,000 pages of historic recorded documents that contain assessor annotations for digital retrieval.	The deterioration of the annotated documents and potential loss of irreplaceable information will be abated with preservation through digital scanning. Immediate access to research documents will increase efficiency and accuracy for the staff that need to view them, and will help to reduce expensive errors.

Gross: \$111,529  General Fund support: \$111,529	Add 1.0 FTE Supervising Auditor-Appraiser	Increase the ability of the Assessor's office to timely process the assessment roll and audit the accounts that show a discrepancy in filing history. Using the average amount discovered in audit and the processing of the unsecured supplemental roll. It is estimated that this position would result in an increase in tax revenue to the County of approximately \$160,000.
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**GOALS AND PERFORMANCE MEASURES**

<p><b>Department Goal:</b> To levy fair and equitable assessments on taxable property in an accurate and timely manner by using accepted appraisal principles and prevailing assessment practices.</p>						
<p><b>Communitywide Result Link:</b> <input type="checkbox"/> Safe <input type="checkbox"/> Healthy <input type="checkbox"/> Livable <input type="checkbox"/> Prosperous <input checked="" type="checkbox"/> Well-Governed Community</p>						
<p><b>1. Performance Measure: Percentage of the assessment roll completed by June 30<sup>th</sup> of each year.</b></p>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
97%	91%	89%	91%	93%	96.3%	97%
<p><b>What:</b> Measures the percentage of assessments that are appraised before the June 30<sup>th</sup> deadline.</p> <p><b>Why:</b> Incomplete assessments will generate inaccurate tax bills. When assessments are completed after the year-end deadline, the Assessor, and the Auditor-Controller-Treasurer-Tax Collector-Public Administrator 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.</p> <p><b>How are we doing?</b> For FY 2014-15, the actual results of 96.3% surpassed the adopted percentage by 3.3% and the FY 13-14 actual results by 5.3%. During FY 2011-12 and FY 2012-13 staffing levels were significantly below prior years FTE's and below allocated FTE's due to vacant appraiser positions which was a result of retirements. This, combined with the ongoing impact of Proposition 8 annual reviews, impacted the percentage of roll completion by the June 30 deadline. A large part of the FY 2014-15 completion percentage increase was due to higher staffing levels and the extensive training, which, provided solid understanding of appraisal principles to the new Appraiser Trainees. The combination equipped the appraisal staff to address the backlog items from the previous year while continuing to address the current workload. Six of the Appraiser Trainees have been promoted to Appraiser I's as they have developed the skills and knowledge giving them the ability to work on their own with minimal mentoring. With this promotion the Appraiser I's will continue to address 3,200 backlog items and new work items, which are increasing each year as market levels rise.</p> <p>During the preparation of the proposed budget, the department set the target completion rate at 94% for FY 2015-16. This is now considered to be low due to the greater than expected reduction in backlog by the end of FY 2014-15 and the reduction of Proposition 8 "Decline-In-Value" properties which require reviewing annually. This leaves additional time to complete the current assessment roll by the June 30 deadline. The department is increasing the FY 2015-16 target to 97%.</p>						
<p><b>2. Performance Measure: The number of completed assessments per appraiser on staff.</b></p>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
3,603	3,531	3,306	3,359	3,500	3,232	3,300
<p><b>What:</b> This measurement tracks the workload per appraiser from year to year.</p> <p><b>Why:</b> 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.</p> <p><b>How are we doing?</b> The complexity of the workload and the time spent on public service contact has intensified as real estate market values have slowly and steadily improved. These factors significantly impact the actual number of appraisals that each appraiser is able to complete. With the continuation of complex work items appraisers are spending additional time on each appraisal. This reduces the number of completed assessments per appraiser and will continue with the real estate market fluctuations. The appraisers completed 3,232 triggers each for FY 2014-15.</p> <p>With properties returning to their base year value. Appraisers had fewer Proposition 8 "Decline in Value" annual reviews to complete, allowing them to spend more time on complex work items as well as the gathering of important market data to support property valuations.</p> <p>No comparable county information for this performance measure.</p>						

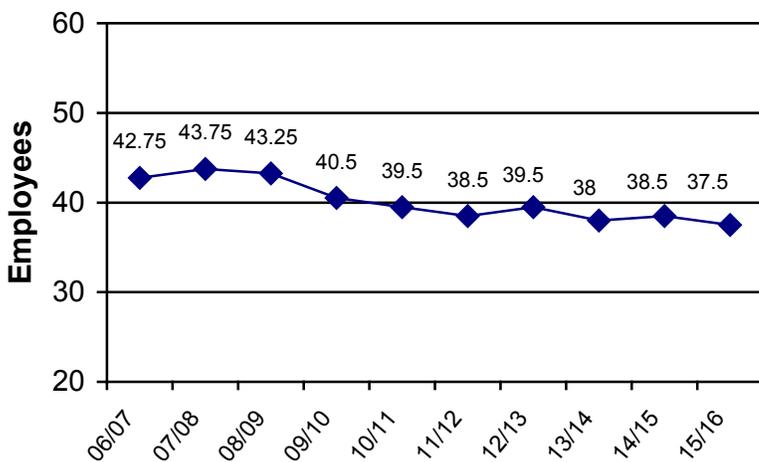
<b>Department Goal:</b> To provide high quality services to the public and taxpayers.						
<b>Communitywide Result Link:</b> <input type="checkbox"/> Safe <input type="checkbox"/> Healthy <input type="checkbox"/> Livable <input type="checkbox"/> Prosperous <input checked="" type="checkbox"/> Well-Governed Community						
<b>3. Performance Measure: The number of assessment appeals filed for every 1,000 assessments.</b>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
2.96	4.6	2.7	3.5	1.2	1.3	1.1
<p><b>What:</b> When property owners disagree with their property's assessed value, they may file for an Assessment Appeal hearing with 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.</p> <p><b>Why:</b> 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 accuracy and equity among assessments.</p> <p><b>How are we doing?</b> As the real estate market strengthens, property values will be partial and ultimately fully restored to their Proposition 13 factored value. With these changes in property values taxpayers are questioning their assessed valuation. The department excels in providing information to questioning taxpayers and is proactive in reviewing taxpayers' property value, which reduces the filing of an assessment appeal.</p> <p>During FY 2014-15 the number of active assessment appeals filed was 236. Based upon the most recent California State Board of Equalization's Report of Budgets, Workloads, and Assessment Appeals Activities for Assessor's Offices for 2013-14, San Luis Obispo County continues to have the lowest number of assessment appeals filed among comparable counties (Marin, Monterey, Napa, Placer, Santa Barbara, Sonoma, and Ventura). Ventura County has the highest number of appeals filed for every 1,000 assessments at a rate of 8.51%.</p>						
<b>4. Performance Measure: Cost per assessment.</b>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
\$45.08	\$43.75	\$43.97	\$44.77	\$46.82	\$47.11	\$50.14
<p><b>What:</b> This measures the cost per assessment by dividing the department's level of General Fund support by the total number of assessments.</p> <p><b>Why:</b> 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><b>How are we doing?</b> The department adopted an amount of \$46.82 for FY 2014-15. The actual results are \$47.11 which is an increase of .29 cents. This is due to the increase in salary cost due to the negotiated wage increases. The department was able to absorb a portion of the negotiated wage increases through salary savings from vacant positions.</p> <p>The most recent California State Board of Equalization Report on Budgets, Workloads, and Assessment Appeals Activities for Assessor's Offices in 2013-14 reflects San Luis Obispo County as one of the counties with the lowest cost per assessment among comparable counties Marin (\$46.65), Monterey (\$22.97), Placer (\$44.07), Santa Barbara (\$50.46), Napa (\$56.63), Sonoma (\$35.75), and Ventura (\$31.22). Monterey (\$22.97) and Ventura (\$31.22) were lower than San Luis Obispo County, while Santa Barbara and Napa Counties had the highest cost per assessment amounts at \$50.46 and \$56.63.</p> <p>For FY 2015-16 the target increase in the cost per assessment is due to salary increases.</p>						

**MISSION STATEMENT**

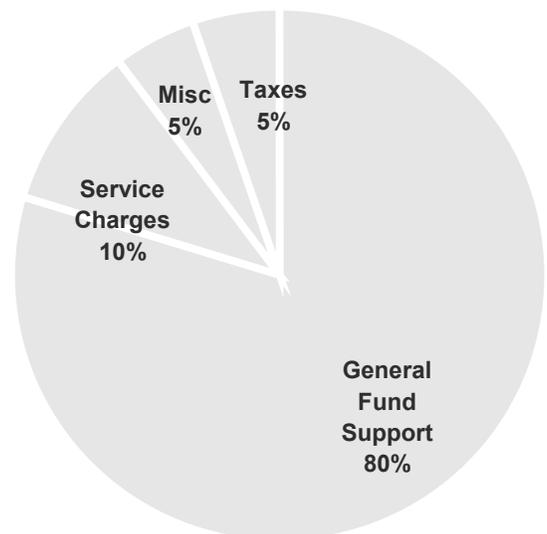
The Auditor-Controller-Treasurer-Tax Collector Office ensures the public's trust by serving as the guardian of assets and funds administered for the County, cities, schools, and special districts and by being an independent source of financial information and analysis for the public, local governmental agencies, County departments, and all other stakeholders.

	2013-14	2014-15	2015-16	2015-16	2015-16
<u>Financial Summary</u>	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Taxes	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Fines, Forfeitures and Penalties	78,401	65,114	26,500	26,500	26,500
Intergovernmental Revenue	6,977	12,648	17,844	17,844	17,844
Charges for Current Services	492,841	438,593	520,447	520,447	520,447
Other Revenues	37,636	34,727	32,900	32,900	32,900
Other Financing Sources	12,061	0	0	0	0
Interfund	30,000	44,410	184,923	184,923	184,923
<b>**Total Revenue</b>	<b>\$ 907,916</b>	<b>\$ 845,492</b>	<b>\$ 1,032,614</b>	<b>\$ 1,032,614</b>	<b>\$ 1,032,614</b>
Salary and Benefits	4,375,876	4,766,521	5,051,979	4,950,271	4,950,271
Services and Supplies	286,175	217,208	222,210	222,210	222,210
Fixed Assets	22,863	0	0	0	0
<b>**Gross Expenditures</b>	<b>\$ 4,684,914</b>	<b>\$ 4,983,729</b>	<b>\$ 5,274,189</b>	<b>\$ 5,172,481</b>	<b>\$ 5,172,481</b>
Less Intrafund Transfers	19,201	15,681	11,400	11,400	11,400
<b>**Net Expenditures</b>	<b>\$ 4,665,713</b>	<b>\$ 4,968,048</b>	<b>\$ 5,262,789</b>	<b>\$ 5,161,081</b>	<b>\$ 5,161,081</b>
General Fund Support (G.F.S.)	<u>\$ 3,757,797</u>	<u>\$ 4,122,556</u>	<u>\$ 4,230,175</u>	<u>\$ 4,128,467</u>	<u>\$ 4,128,467</u>

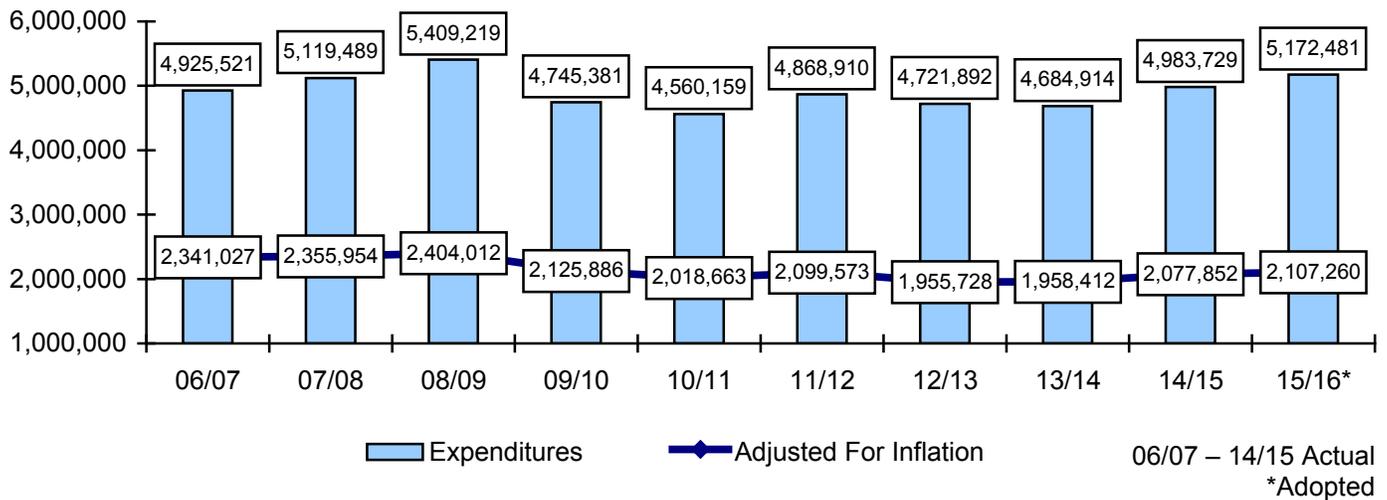
**Number of Employees  
(Full Time Equivalent)**



**Source of Funds**



**10 Year Expenditures Adjusted For Inflation**



**SERVICE PROGRAMS**

The Auditor-Controller’s Office has a total expenditure level of \$5,172,481 and a total staffing level of 37.50 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: \$529,741 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: \$791,163 Total Staffing (FTE): 5.50

**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: \$404,606 Total Staffing (FTE): 2.00

**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: \$701,490 Total Staffing (FTE): 5.00

**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: \$1,281,890 Total Staffing (FTE): 9.00

**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: \$416,146 Total Staffing (FTE): 4.00

**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: \$1,047,445 Total Staffing (FTE): 7.00

**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 while remaining responsive to emerging needs associated with new mandates, programs and legislation.

In August 2013, San Luis Obispo County became one of 12 counties in the State of California to merge the offices of Auditor-Controller and Treasurer-Tax Collector. FY 2014-2015 was the first year the two offices operated as one department under a single elected official. The new office was formed to create efficiencies, provide savings to the County, enhance public service, and provide opportunities for staff development by incorporating the best practices, philosophies, and ideas of both offices.

The following are some of the department's notable accomplishments for FY 2014-15 and some specific objectives for FY 2015-16.

**FY 2014-15 Accomplishments**

- Completed configuration for the Cost Accounting (CO) Actual Labor project and went live in October 2014. This unique custom program is one of the first of its kind to be used by organizations that run SAP software. San Luis Obispo County is able to post actual labor costs to the cost accounting module (CO), unlike other agencies that rely on standard SAP which uses rate based estimates to record labor for cost accounting purposes.
- Participated in the first phase of the Budget Preparation (BP) replacement project. The first phase involved requirements gathering and the issuance of a Request for Proposal. Staff will continue their involvement in FY 2015-16 when

**FY 2015-16 Objectives**

- Begin project to replace the County's DOS-based Cost Plan Program. The current system resides on a shared server that is scheduled to retire when the Budget Preparation (BP) replacement project is completed.
- Complete the initial training rollout of the SAP Business Intelligence (BI) system so that all licenses are assigned to departmental users by the end of the fiscal year. Continue to enhance the SAP BI system by creating more standard reports and adding more data for use by end-users in writing their own reports. Familiarize our newly established consultant partner with our BI system to assist our in-house support staff to expand the system with more available

design and implementation is planned to begin.

- Completed the design and implementation of interfaces from SAP to NEOGOV, the Human Resources' new applicant tracking system. The new interfaces send position and job class specification master data from SAP to NEOGOV. This information is used by departments when they want to open a job requisition to fill a specific position.
- Made significant progress towards accomplishing the top four consolidation objectives identified in FY 2013-14. Notable accomplishments in these areas were the completion of the office remodel, the construction of a new public services area, the creation of new career opportunities for employees, and the inclusion of all staff members in the process of designing a dynamic new department.
- Investigate the magnitude of including SAP's latest enhancement pack with our annual patch process. SAP support packs are applied annually to maintain existing functionality. Adding the latest enhancement pack maintains readiness for new SAP functionality. If feasible with existing projects, the office plans to install the latest enhancement pack in FY 2015-16.
- Continue working on the top four consolidation objectives identified in FY 2013-14. These included creating an optimal office structure, promoting an integrated office culture, maximizing human resources, and optimizing the office layout. High priority projects include an extensive review of all internal controls, the creation of a single set of office policies, implementation of the new organization chart, and providing training opportunities for all levels of staff.

#### **COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS**

General Fund support for FY 2015-16 is recommended to increase by \$88,880 or 2% as compared to FY 2014-15 adopted levels.

Revenues are increasing by \$33,415 or 3% primarily due to the transfer of the Estate Fee revenue for the Public Administrator program from the Treasurer-Tax Collector's side of the department. In addition, revenue transfer from miscellaneous trust accounts is increasing by \$52,740. This revenue will pay for the SAP payroll consultant as well as new computers.

Salaries and benefits are recommended to increase by \$116,017 or 2%. This increase is a combination of wage and benefit increases approved in FY 2014-15, the elimination of an Accounting Systems Aide-Confidential position agreed upon as part of the consolidation and the exchange of positions with the Treasurer-Tax Collector. Two positions, a Financial Analyst I/II/III and a Senior Account Clerk, are being transferred from the Treasurer-Tax Collector while two positions, an Administrative Assistant III and Administrative Service Officer II, are transferring to the Treasurer-Tax Collector. The exchange of positions is meant to better align staff under the service programs of the fund center they are working under. It will also help alleviate some of the difficulties in cost tracking and allocation. Overall, it is cost neutral. As detailed in the Budget Augmentation Request (BAR) below, funding to extend the Limited Term Auditor-Analyst III position to support the Budget Replacement (BP) replacement project is also recommended. This position will be paid for through FC 266 – Countywide Automation.

Services and supplies are recommended to increase minimally, \$4,278 or 1% from FY 2014-15 levels. This increase is primarily due to increased charges for postage and liability insurance.

#### **BOARD ADOPTED CHANGES**

None.

**BUDGET AUGMENTATION REQUESTS ADOPTED**

<b>Unit Amount</b>	<b>Description</b>	<b>Results</b>
Cost: \$154,923  General Fund Support: \$0  Funding for this project is through FC 266 – Countywide Automation.	Extend the Limited Term Auditor-Analyst III position to backfill for staff assigned to the Budget Preparation (BP) replacement project. It is anticipated that the new system will be in place for FY 2017-18 budget process. This position is currently backfilling for staff assigned to the Property Tax System Modernization (PTSM) project.	A new Budget Preparation (BP) system will: <ol style="list-style-type: none"> <li>1. Provide departments with a supportable, user-friendly, functionally rich, and modern software product;</li> <li>2. Increase the reliability and availability of the BP system;</li> <li>3. Save time and money by reducing the number of hours spent cobbling together solutions and systems in support of the existing BP system;</li> <li>4. Be green and reduce costs by providing reporting that is available on-line and not just via print outs; and</li> <li>5. Increase the possibility of integration between the BP system and other, existing systems such as SAP.</li> </ol>

**BUDGET AUGMENTATION REQUESTS NOT ADOPTED**

<b>Unit Amount</b>	<b>Description</b>	<b>Results</b>
Cost: \$56,650  General Fund: \$56,650	Add 1.00 FTE Account Clerk position to enable a monthly payment plan for taxpayers with delinquent secured property taxes.	This project would: <ol style="list-style-type: none"> <li>1. Allow the collection of delinquent property taxes to occur more quickly.</li> <li>2. 300 delinquent properties would participate in the first year growing to 800 properties in subsequent years.</li> </ol>

**GOALS AND PERFORMANCE MEASURES**

<p><b>Department Goal:</b> Provide periodic review of the internal controls of County departments, and service providers to ensure compliance with regulations, policies and procedures; and minimize losses from fraud or misappropriation.</p> <p><b>Communitywide Result Link:</b> <input type="checkbox"/> Safe <input type="checkbox"/> Healthy <input type="checkbox"/> Livable <input type="checkbox"/> Prosperous <input checked="" type="checkbox"/> Well-Governed Community</p>							
<p><b>1. Performance Measure: Number of reviews, special district audits, trust fund reviews, and grant compliance audits performed for County departments.</b></p>							
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target	
17	17	20	11	15	12	15	
<p><b>What:</b> The Internal Audit Division reviews 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.</p> <p><b>Why:</b> 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.</p>							

**How are we doing?** The Audit staff performs cash, departmental, compliance, and State mandated audits; and review and research duties. In addition to audit work, the team also performs public administration duties, prepares and submits the County's Financial Transaction Report to the State and takes 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 are available to the public for comment. Actual results for FY 2014-15 were lower than the goal primarily due to staff retirements and transitions.

2. Performance Measure: Number of concessionaire, bed tax, or service provider audits completed.

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
16	21	24	18	22	20	11

**What:** Selected concessionaires, hotels, and 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 that 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?** In FY 2014-15, Audit staff did not meet the goal for concessionaire and Transient Occupancy Tax audits due to the retirement of a staff member. We believe maintaining an audit presence helps create an even balance in the community. In addition, Audit staff continued to focus on monitoring service providers' compliance with contracts to the County. Our objective is to ensure 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. The decrease in the FY 2015-16 target number of audits reflects the Audit section's plan to focus on areas of higher risk that were identified in the annual risk assessment. Consequently, audit staff will be spending less time on Transient Occupancy Tax audits and more time on service provider compliance audits which are far more complex and require greater amounts of time to complete.

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:  Safe  Healthy  Livable  Prosperous  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.

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
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 2013-14 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:  Safe  Healthy  Livable  Prosperous  Well-Governed Community

4. Performance Measure: Earn a clean auditor's opinion on the Comprehensive Annual Financial Report (CAFR).

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 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 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. The external auditors have completed their annual audit of the FY 2013-14 fiscal year's financial statements and have issued unqualified or clean opinions.

**Department Goal:** Provide high quality, cost effective Auditor-Controller services.

**Communitywide Result Link:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

**5. Performance Measure: Auditor Controller staff per 100 County employees.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
1.6	1.6	1.6	1.6	1.6	1.5	1.5

**What:** This shows Auditor Controller staffing levels per 100 county employees.

**Why:** This data can be compared with Auditor-Controller offices of similar characteristics to provide one measure of whether we are appropriately staffed.

**How are we doing?** Staffing levels per 100 employees for our comparable counties (5 counties surveyed) ranged from a low of .9 in Monterey County to a high of 1.7 in Marin County. The Auditor's Office maintains levels slightly above the average of 1.3. Our actual results exceeded our target number due to an increase in the total number of County employees in FY 2014-15. We are also beginning to see a slight increase in the number of full time equivalent employees (FTEs) in our comparable counties for the second year in a row, a sign that the economy is beginning to improve.

**Department Goal:** 100% of legal mandates should be implemented within established deadlines.

**Communitywide Result Link:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

**6. Performance Measure: Percentage of legal mandates implemented within established deadlines.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
100%	100%	100%	100%	100%	100%	100%

**What:** Monitor State and Federal legislation regularly in order to keep updated with changes to current mandates and new mandates.

**Why:** So that a proactive response to implement changes to current mandates and new mandates is seamless and timely.

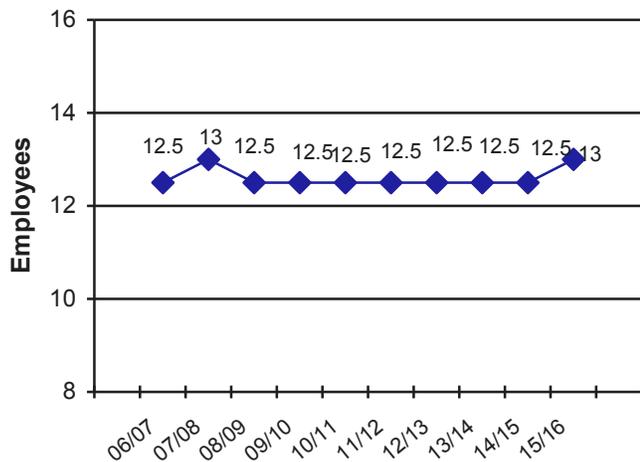
**How are we doing?** During FY 2014-15, we successfully implemented all known legal mandates including the California Supreme Court decision that requires the removal of the Vehicle License Fee Adjustments from the Supplemental factor calculations, complying with the changes made to Chapter 18 of the Accounting Standards and Procedures Manual published by the State Controller, and implementing Education Code Section 2578 requiring prior year restricted money to be transferred from the County Office of Education to the Supplemental Revenue Augmentation Fund. Our staff also implemented new requirements of the Patient Protection Affordable Care Act (PPACA) to monitor employees who are not participants in the County cafeteria plan that work 30 hours or more per week during a given month. Our office will continue to implement all mandates as they develop in FY 2015-16. The number of legal mandates varies from year to year depending on changes at the State and Federal levels.

**MISSION STATEMENT**

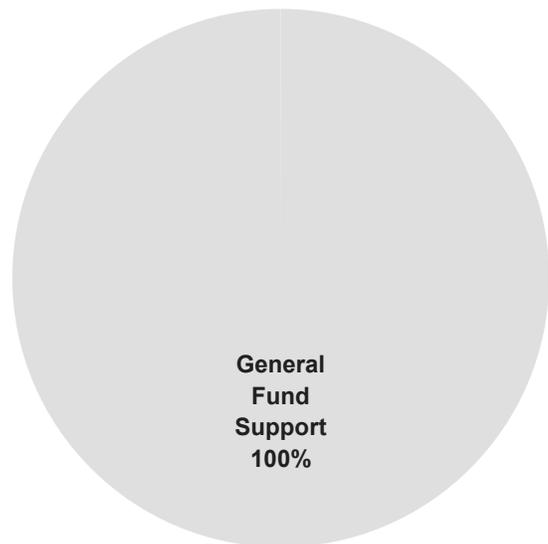
The San Luis Obispo County Board of Supervisors is the legislative arm of the County government, and is committed to the implementation of policies and the provision of services that enhance the economic, environmental and social quality of life in San Luis Obispo County.

	2013-14	2014-15	2015-16	2015-16	2015-16
<u>Financial Summary</u>	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Salary and Benefits	\$ 1,380,478	\$ 1,450,004	\$ 1,546,782	\$ 1,522,719	\$ 1,522,719
Services and Supplies	217,289	200,486	262,176	203,532	203,532
**Gross Expenditures	\$ 1,597,767	\$ 1,650,490	\$ 1,808,958	\$ 1,726,251	\$ 1,726,251
Less Intrafund Transfers	36,388	46,905	38,806	38,806	38,806
**Net Expenditures	\$ 1,561,379	\$ 1,603,585	\$ 1,770,152	\$ 1,687,445	\$ 1,687,445
General Fund Support (G.F.S.)	<u>\$ 1,561,379</u>	<u>\$ 1,603,585</u>	<u>\$ 1,770,152</u>	<u>\$ 1,687,445</u>	<u>\$ 1,687,445</u>

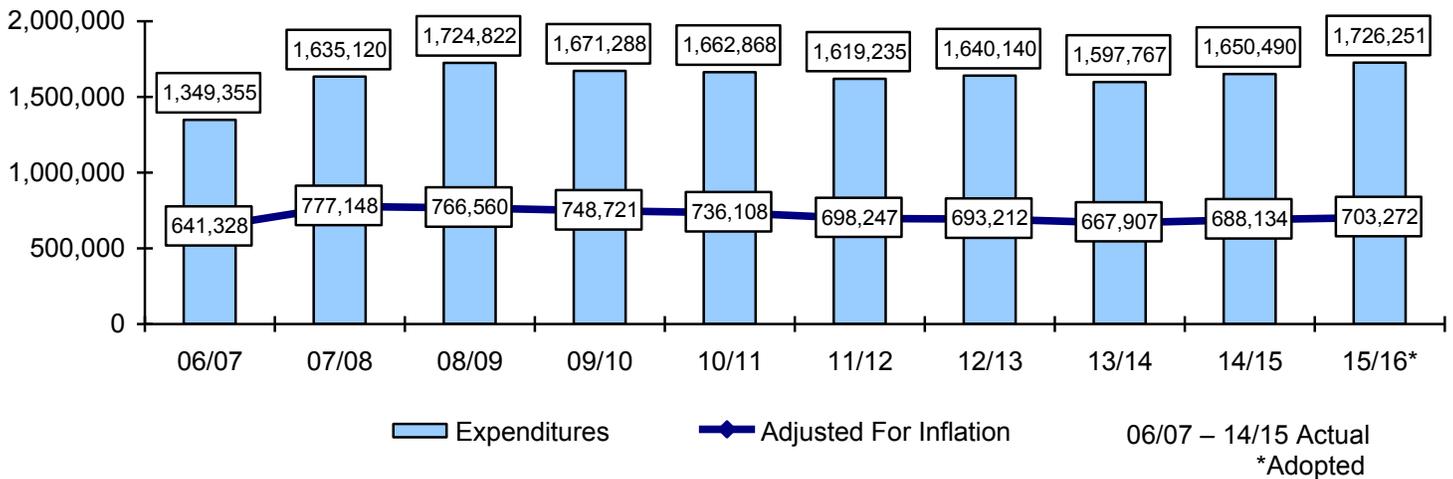
**Number of Employees  
(Full Time Equivalent)**



**Source of Funds**



**10 Year Expenditures Adjusted For Inflation**



**SERVICE PROGRAMS**

The Board of Supervisors has a total expenditure level of \$1,726,251 and a total staffing level of 13.00 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: \$125,000 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: \$1,601,251 Total Staffing (FTE): 13.00

**COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS**

General Fund support is recommended to increase by \$54,772 or 3% compared to FY 2014-15 adopted levels.

Salaries and benefits are increasing \$73,860 or 5% compared to FY 2014-15 adopted levels. In FY 2014-15, the Administrative Assistant position changed from a half time position to full time which equates to an increase of \$36,000 annually. The remainder of the increase is due to negotiated cost of living adjustments approved in FY 2014-15.

There is decrease of \$17,503 or 7% in service and supplies compared to FY 2014-15 adopted levels. Mileage and travel are expected to increase by \$2,000 and \$1,150 respectively due anticipated travel related to water issues, as well as minimal increases in expenses for subscriptions, maintenance contracts, postage and insurance. Increases for salaries and services and supplies are partially offset by decreases in the significant value purchase and professional and special services accounts. Significant value purchases are expected to

decrease by \$2,177 or 30% as there are minimal computers that need replacement in FY 2015-16. Professional and special services are decreasing by \$19,900 or 13%, due to the fact that the County negotiated a contract with a new vendor for the State-mandated countywide audit at a reduced rate.

**BOARD ADOPTED CHANGES**

None.

**BUDGET AUGMENTATION REQUESTS ADOPTED**

None requested.

**GOALS AND PERFORMANCE MEASURES**

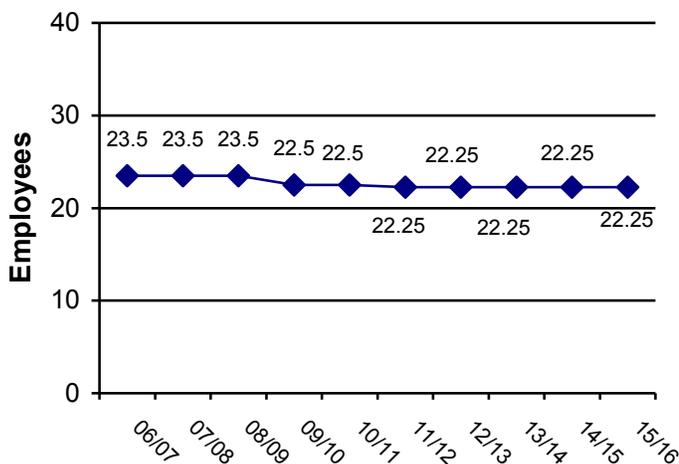
<p><b>Department Goal:</b> To enhance the public's trust in county government by measurably demonstrating that we provide efficient, high quality, results oriented services.</p> <p><b>Communitywide Result Link:</b> <input type="checkbox"/> Safe <input type="checkbox"/> Healthy <input type="checkbox"/> Livable <input type="checkbox"/> Prosperous <input checked="" type="checkbox"/> Well-Governed Community</p>						
<p><b>1. Performance Measure: Percentage of citizens that rate the overall quality of services the County provides as "good" to "excellent".</b></p>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
72%	Triennial Survey	Triennial Survey	72%	Triennial Survey	Triennial Survey	Triennial Survey
<p><b>What:</b> 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><b>Why:</b> 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><b>How are we doing?</b> The 2013 ACTION telephone survey asked 1,102 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?" 69% of the respondents rated the County as "good" (40%), "very good" (19%) or "excellent" (10%). These results show an increase in those respondents rating County services as "excellent" but demonstrate a slight decline from the 2010 survey in which 72% rated the county as "good" (41%), "very good" (25%) or "excellent" (6%). The 2013 ACTION survey was presented to the Board on December 3, 2013. The survey results are posted on the County's website: <a href="http://www.slocounty.ca.gov">http://www.slocounty.ca.gov</a>. The next ACTION telephone survey is planned for FY 2016-17.</p>						
<p><b>2. Performance Measure: Percentage of citizens that indicate their overall impression of County employees (based on their most recent contact) is good or excellent.</b></p>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
Survey on hold	Survey on hold	Survey on hold	Survey on hold	Survey on hold	Survey on hold	Triennial Survey
<p><b>What:</b> 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><b>Why:</b> 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><b>How are we doing?</b> During the financial downturn, the Citizen's Opinion Survey was put on hold as a cost savings measure. The most recent survey was conducted in the Winter of 2007. That survey asked respondents if they 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". The next Citizen's Opinion Survey is scheduled for 2016.</p>						

**MISSION STATEMENT**

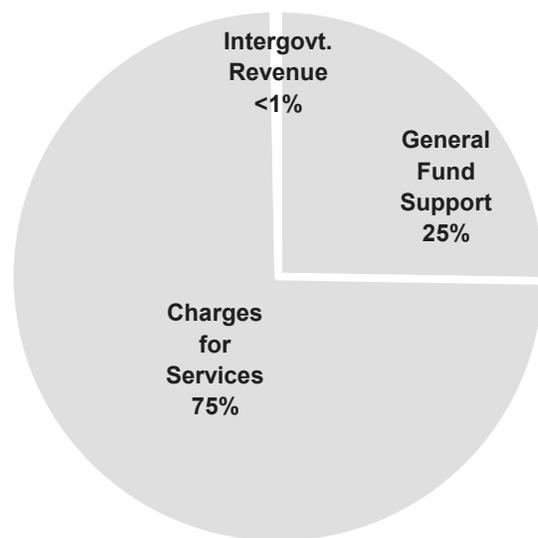
In pursuit of a well-governed community, the County Clerk-Recorder will ensure the integrity of the election process and the records maintained by the office and provide access to these public records, by complying with all applicable laws, employing technology to its fullest and wisely spending the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

	2013-14	2014-15	2015-16	2015-16	2015-16
<u>Financial Summary</u>	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Intergovernmental Revenue	\$ 86,060	\$ 15,217	\$ 10,000	\$ 10,000	\$ 10,000
Charges for Current Services	2,058,735	2,488,621	2,272,232	2,375,048	2,375,048
Other Revenues	3,082	3,432	0	0	0
Interfund	3,600	4,420	0	0	0
<b>**Total Revenue</b>	<b>\$ 2,151,477</b>	<b>\$ 2,511,690</b>	<b>\$ 2,282,232</b>	<b>\$ 2,385,048</b>	<b>\$ 2,385,048</b>
Salary and Benefits	2,009,492	2,034,373	2,106,846	2,092,394	2,092,394
Services and Supplies	900,707	897,919	993,111	1,095,927	1,095,927
Fixed Assets	0	0	5,100	5,100	5,100
<b>**Gross Expenditures</b>	<b>\$ 2,910,199</b>	<b>\$ 2,932,292</b>	<b>\$ 3,105,057</b>	<b>\$ 3,193,421</b>	<b>\$ 3,193,421</b>
General Fund Support (G.F.S.)	<u>\$ 758.722</u>	<u>\$ 420.602</u>	<u>\$ 822.825</u>	<u>\$ 808.373</u>	<u>\$ 808.373</u>

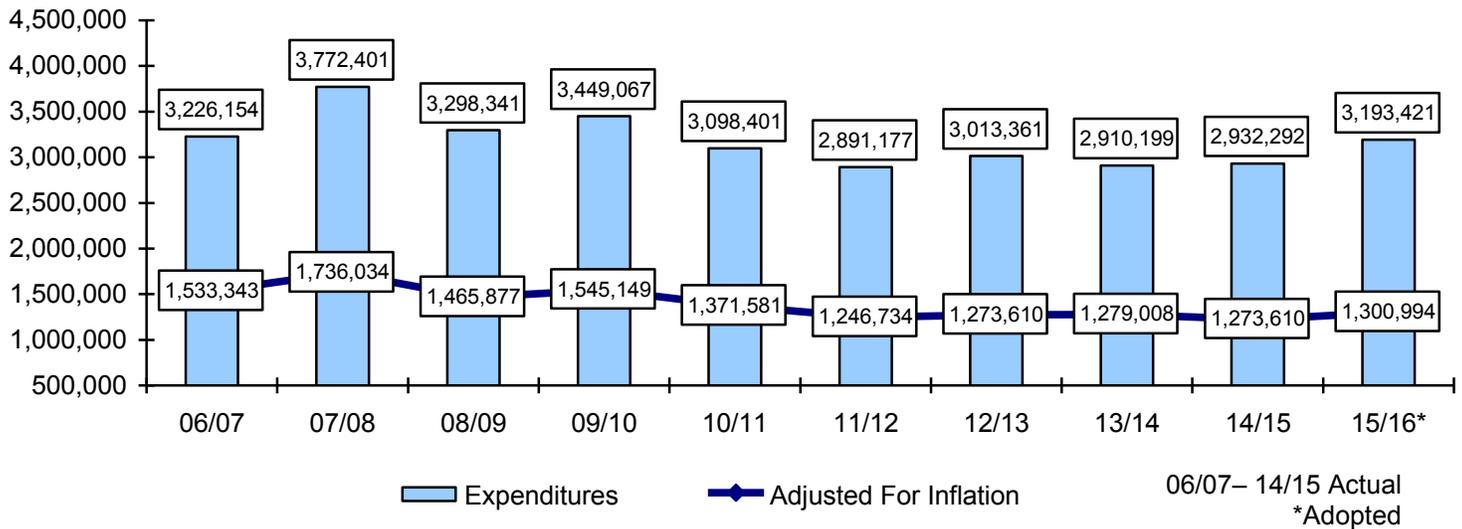
**Number of Employees  
(Full Time Equivalent)**



**Source of Funds**



### 10 Year Expenditures Adjusted For Inflation



#### SERVICE PROGRAMS

The Clerk-Recorder has a total expenditure level of \$3,193,421 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: \$1,599,744 Total Staffing (FTE): 14.52

##### 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: \$885,105 Total Staffing (FTE): 3.38

##### Recorder's Restricted Revenues (Special Projects)

Collect and utilize restricted funds to pursue the modernization of delivery systems for official and vital records. These funds are used for many purposes including deployment of technology to streamline the recording process, ensuring retention of historical records through preservation efforts, converting official and vital records to images to increase public access and expanding services to customers by funding the North County satellite office.

Total Expenditures: \$708,572 Total Staffing (FTE): 4.35

**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 as well as improve access for all residents of the county while performing our duties within the legislated mandates and deadlines.

The department is faced with the need to replace aging technology. The Clerk-Recorder is heavily reliant on technology to streamline its mandated duties and increase access to records. Two major systems were implemented over 10 years ago and will be in need of replacement in the next two years. Replacement costs will be funded outside of the General Fund (Help America Vote Act funds will be used for a ballot counting system and Recorder's restricted revenue will be used for the recording and imaging system). However the procurement and implementation of these systems will require a significant amount of dedicated staff time while still accomplishing the daily duties of the department.

The department will also be faced with implementation of changes required by Vote Cal, the statewide voter registration database mandated by the Help America Vote Act. When fully implemented in 2016, Vote Cal will be the controlling database for voter registrations across the State. The implementation will require a revamp of all voter registration procedures on a local level and the testing and deployment of this will dominate the election activity leading up to the Presidential Primary in 2016. In addition, several election laws will become effective upon the full implementation of Vote Cal, including pre-registration of 16 year olds and same day (election day) voter registration, which will require extensive changes to voter registration and election day procedures.

Lastly, the Clerk-Recorder will be faced with conducting the various activities (assessment ballot proceeding, formation, and director elections, as required) related to the potential formation of a water district for the Paso Robles Groundwater Basin.

Following are some of the department's notable accomplishments for FY 2014-15 and some specific objectives for FY 2015-16:

**FY 2014-15 Accomplishments**

- Successfully conducted the November General Election with a City Mayoral Write-In Candidate and another City Mayoral race resulting in a four-vote difference, in which a candidate-initiated recount validated the results.
- Implementation of an electronic filing system to track campaign finance statements of local candidates. This not only streamlined staff time in reviewing and filing reports but assisted campaigns with managing their paperless filings and quickly making redacted information available online for public access.
- Began the process of restoring historical land and vital record books. Many of these books are in fragile condition, over 100 years old, and of great need for restoration.
- Conducted a competitive Request for Proposal (RFP) to replace the existing Recording and Cashiering System that is the heart of the day-to-day operations in the department.
- Recodification of the County Code to bring uniformity to the various titles within the code.

**FY 2015-16 Objectives**

- Implement replacement Recording and Cashiering System selected from the RFP evaluation process that best serves the office and the public.
- Implement changes required by Vote Cal, the statewide voter registration database in preparation for the Presidential Elections in 2016.
- Replace voting system used since 2000 with upgraded system that takes advantage of current technology yet still maintains the integrity of the voting experience expected by San Luis Obispo County voters.
- Replace historical Board of Supervisors index to provide greater search capabilities and expand access to other departments and the public. This will remove the remaining Clerk-Recorder legacy system from the mainframe.
- Selected employees successfully passed the test to attain the status of Certified Document Examiner by the end of the 2015.

- Working with other departments and agencies, such as the Local Agency Formation Commission (LAFCO) to conduct the various activities related to formation of the potential water district the Paso Robles Groundwater Basin as required.

**COUNTY ADMINISTRATOR’S COMMENTS AND RECOMMENDATIONS**

The County Clerk-Recorder consists of three divisions including General Administration, Recording, and Elections. Revenue in the 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 even-numbered years, election revenue increases and the department requires less General Fund support. However, in odd-number years (FY 2015-16 is an odd-numbered year), election revenue decreases and the department requires increased General Fund support.

FY 2015-16 is an odd-number year for elections and as a result, the level of General Fund support is recommended to increase by \$387,774 or 92% when compared to FY 2014-15 adopted levels. As noted above, the increase in General Fund support is due to the cyclical nature of election revenue and expenditures. Revenue is anticipated to decrease by \$400,563 or 14% due to the 90% decrease in election revenue. 2015 is a Primary Election year and typically election revenue is minimal. Other revenue reductions are tied to decreased expenditures. No service level impacts are anticipated based on the recommended level of General Fund support for FY 2015-16.

Overall, expenditures are essentially flat when compared to FY 2014-15 amounts, decreasing by \$12,789 or less than 1%. Salaries and benefits are increasing by \$16,963 or less than 1% due to salary and benefit increases approved during FY 2014-15. Services and supplies are decreasing by \$34,852 or 3% due to the cyclical nature of election expenditures. A replacement copier for the San Luis Obispo office is also recommended for funding.

**BOARD ADOPTED CHANGES**

None.

**BUDGET AUGMENTATION REQUESTS ADOPTED**

<b>Unit Amount</b>	<b>Description</b>	<b>Results</b>
Gross: \$100,000  General Fund: \$0	Utilize \$100,000 from restricted revenue to fund the restoration and preservation of historical record books and indices. This is year 2 of a five year project.	<ol style="list-style-type: none"> <li>1. Provide the public and researchers with enhanced images making the records easier to read and enhancing the searching of these records.</li> <li>2. Restore and preserve the historical records of the County for posterity.</li> <li>3. 48 historical record books and indices will be restored and preserved.</li> </ol>

**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:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

**1. Performance Measure: Percentage of documents received by mail which are examined and recorded, or returned within two business days.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
96%	99%	99%	99.5%	100%	99.5%	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 two days of receipt of specific documents, which are sent to us by express delivery.

**How are we doing?** FY 2014-15 amounts fell slightly below targeted levels. Recording levels for FY 2014-15 have increased by 5% (approximately 3,100 documents) compared to FY 2013-14 levels. The department has faced heavy staffing shortages in the last half of FY 2014-15, along with an 8% increase in recording volumes in the same time period. At the start of FY 2015-16, the department is almost fully staffed and with our ongoing focus on additional training for staff, we continue to strive towards achieving our goal of 100% in the future when recording levels increase. No comparable county data is available.

**Department Goal:** To provide easily accessible self-help options for services when possible.

**Communitywide Result Link:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

**2. Performance Measure: Number of citizens who completed transactions with the County Clerk-Recorder without the need to contact the office directly or be physically present in the office.**

	10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
<b><u>Online Voter Registration:</u></b> Percentage of total voter registrations completed online per year.	New Measure	New Measure	26% (11,614)	16% (3,015)	35% (11,550)	22% (6,609)	30% (9,900)
<b><u>Certified Vital Records Requests without physical appearance:</u></b> Percentage of total vital requests completed with a credit card through fax per year.	New Measure	New Measure	13% (1,403)	16% (1,902)	15% (1,500)	14% (1,529)	15% (1,600)
<b><u>Online Polling Place Look-Up:</u></b> Number of visits to the online polling place look-up per election.	New Measure	New Measure	9,317	2,877	7,000	3,052	4,000
<b><u>Online Voter Registration Status Look-Up:</u></b> Number of visits to the online voter registration status look-up per election.	New Measure	New Measure	10,004	1,469	9,000	2,322	5,500

**What:** These measures track the use of Clerk-Recorder services available remotely.

**Why:** When customers can complete transactions and obtain information online without contacting the office via telephone or in person, the customer benefits in convenience as well as time and cost savings. Tracking this measurement will help identify the benefits to our customers as well as allow better allocation of staff and the need for temporary election employees during the busiest times of the year.

**How are we doing? Online Voter Registration:** On September 19, 2012, the Secretary of State went live with online voter registrations. This allowed voters immediate access to register to vote and, on the last day to register for the November 2012 General Election. San Luis Obispo County received over 1,000 online registrations from voters who would have missed the deadline if they had used more traditional methods. Online voter registrations result in an 80% decrease of staff time per online registration, a savings of approximately 410 hours of staff time per year. FY 2012-13 results reflect only nine months of availability. FY 2014-15 amounts are below adopted amounts due low voter interest and turn out in the November General Election. FY 2015-16 target amounts factor in the difference in registration numbers between a Gubernatorial election and a Presidential election. In the current fiscal year, 25% is equivalent to 8,250 online registrations per year; however, the actual number of registrations will fluctuate dependent on the registration activity of each election. No comparable county data is available.

**Vital Records Requests without office appearance:** For the past several years, customers have been able to request a vital record copy by faxing an application for the record; however, the only method for payment incurred a \$7.00 service charge for the customer. While this allowed customers to receive a copy of a vital record in a 24-48 hour turnaround, it was an expensive option for customers. In April 2011, the Clerk-Recorder implemented a credit card payment processing system which decreased the convenience fee for the customers to \$1.49 (nearly an 80% decrease from the previous fee) and consequently, customers are taking advantage of this service more frequently. An additional benefit of accepting more credit card payments for this service is the reduced potential for checks refused due to insufficient funds. The FY 2014-15 actual results reflect steady usage, which is expected to continue. In the current fiscal year, 15% is equivalent to 1,600 requests annually. No comparable county data is available.

**Online Polling Place & Voter Registration Status Look Up:** The addition of online polling place and voter registration status look up has been a helpful tool for both our staff and the voters. Voters now have the ability to look up their registration status and their polling place without having to call the office during the highest call volume periods and can find the information at their convenience. Reducing calls during election time reduces the need to hire temporary staff to answer phones and saves the cost of activating additional phone lines. The General Election in FY 2014-15 saw an increase in activity from the June election, although not as high as predicted. The FY 2015-16 target reflects increased voter interest in Presidential elections. No comparable county data is available.

FY 2012-13 Results: November 2012 General Presidential Election

FY 2013-14 Results: June 2014 Primary Election

FY 2014-15 Results: November 2014 General Election

FY 2015-16 Results: June 2016 Presidential Primary Election

**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:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

**3. Performance Measure: Cost per vote-by-mail ballot.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
\$1.77* \$2.06**	\$2.22	\$1.93	\$1.63	\$2.15	\$1.23	\$2.15

**What:** This measures the cost to issue each vote-by-mail (VBM) ballot.

**Why:** Vote-by-mail ballots have traditionally been very labor intensive to administer and process. Currently, approximately 57% (89,905) of San Luis Obispo County voters choose to permanently vote by mail. Tracking the costs of issuing vote-by-mail ballots allows the department to plan for the budgetary impacts of these ballots accordingly and contributes to efforts of automating and streamlining the process to increase efficiency and keep costs down.

**How are we doing?** The deployment of technology has had a profound impact 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 \$1.23 per vote-by-mail voter. The FY 2014-15 actual results are lower than adopted amounts due to the decrease in voter turnout. This decrease resulted in less staff time required for processing returned vote by mail ballots and lowered costs per ballot. The higher FY 2015-16 target reflects the increase in vote by mail costs for the party specific ballots necessary for a Presidential Primary Election, as well as costs from Senate Bill 29 which will allow ballots postmarked before or on election day to be counted if the ballots are received by the registrar of voters within three days after the election. There are no comparable county data at this time.

FY 2010-11 Results: \* August 2010 Special SD 15 General Election      \*\* November 2010 General Election

FY 2011-12 Results: June 2012 Presidential Primary Election

FY 2012-13 Results: November 2012 General Presidential Election

FY 2013-14 Results: June 2014 Primary Election

FY 2014-15 Results: November 2014 General Election

FY 2015-16 Results: June 2016 Presidential Primary Election

<b>4. Performance Measure: Average cost per registered voter in the County.</b>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
\$2.21* \$3.49**	\$3.77	\$4.79	\$3.90	\$4.25	\$4.20	\$3.80

**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?** The department continues to maintain its commitment to providing the best election experience in the most cost effective manner. The FY 2014-15 actual cost for the November 2014 General Election is slightly below adopted amounts due to lower than anticipated voter turnout, which requires less staff hours for processing. The FY 2015-16 target reflects lower costs associated with the lower voter turnout typical during a Primary Election and still factors in the increased ballot printing costs necessary for party specific ballots necessary for the federal races. No comparable county data is available at this time.

FY 2010-11 Results: \* August Special SD 15 General Election                      \*\* November 2010 General Election  
 FY 2011-12 Results: June 2012 Presidential Primary Election  
 FY 2012-13 Results: November 2012 General Presidential Election  
 FY 2013-14 Results: June 2014 Primary Election  
 FY 2014-15 Results: November 2014 General Election  
 FY 2015-16 Results: June 2016 Presidential Primary Election

<b>5. Performance Measure: Voter Participation Rate.</b>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
43.41%* 69%**	48.59%	80%	41.46%	70%	58.42%	60%

**What:** This measures 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 impact voter turnout. Turnout is always highest in a Presidential General Election and lowest in a gubernatorial Primary Election and special elections. Voter file maintenance is critical to ensure that election files are current and up-to-date, thereby giving a more accurate picture of voter turnout. The Clerk-Recorder 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. The department's 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, assists voters in being informed and contributes to the County's high rates of voter turnout. The office has also made an effort to utilize social media, such as Facebook and Twitter, to notify citizens of upcoming deadlines and other voter information. These efforts to encourage voter turnout are reflected in the County's voter turnout, which averages around 10% higher when compared to the Statewide voter turnouts for any given election. Voter turnout is 58.42% (87,705 ballots cast), which is below adopted levels for FY 2014-15. Voter participation statewide was only 42%, so despite County levels being lower than projected, San Luis Obispo County still averaged 16% higher than the State as a whole. The target of 60% voter turnout (90,083 ballots cast) for FY 2015-16 is on par with previous Presidential Primary Elections.

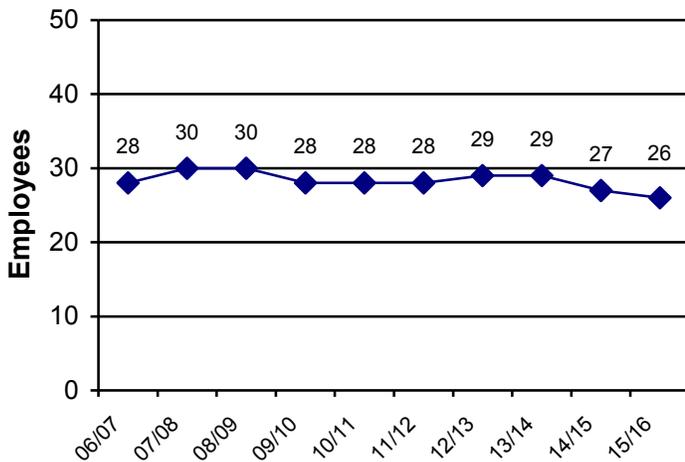
FY 2010-11 Results: \* August 2010 Special SD 15 General Election                      \*\* November 2010 General Election  
 FY 2011-12 Results: June 2012 Presidential Primary Election  
 FY 2012-13 Results: November 2012 General Presidential Election  
 FY 2013-14 Results: June 2014 Primary Election  
 FY 2014-15 Results: November 2014 General Election  
 FY 2015-16 Results: June 2016 Presidential Primary Election

**MISSION STATEMENT**

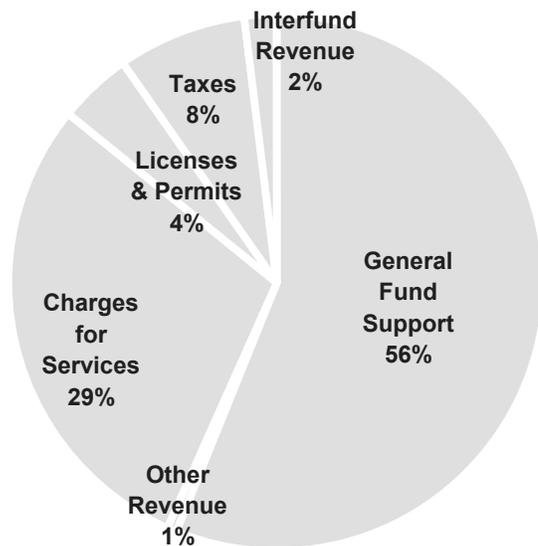
The Auditor-Controller-Treasurer-Tax Collector Office-Public Administrator ensures the public's trust by serving as the guardian of assets and funds administered for the County, cities, schools, and special districts and by being an independent source of financial information and analysis for the public, local governmental agencies, County departments, and all other stakeholders.

	2013-14	2014-15	2015-16	2015-16	2015-16
<u>Financial Summary</u>	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Taxes	\$ 197,971	\$ 223,177	\$ 220,090	\$ 220,090	\$ 220,090
Licenses and Permits	137,489	128,257	114,088	114,088	114,088
Charges for Current Services	1,045,116	818,987	839,431	839,431	839,431
Other Revenues	22,368	24,750	23,108	23,108	23,108
Interfund	35,000	37,874	58,056	58,056	58,056
<b>**Total Revenue</b>	<b>\$ 1,437,944</b>	<b>\$ 1,233,045</b>	<b>\$ 1,254,773</b>	<b>\$ 1,254,773</b>	<b>\$ 1,254,773</b>
Salary and Benefits	2,414,095	2,463,552	2,574,591	2,549,424	2,549,424
Services and Supplies	336,109	420,789	331,961	331,961	331,961
Other Charges	26,654	26,653	0	0	0
<b>**Gross Expenditures</b>	<b>\$ 2,776,858</b>	<b>\$ 2,910,994</b>	<b>\$ 2,906,552</b>	<b>\$ 2,881,385</b>	<b>\$ 2,881,385</b>
Less Intrafund Transfers	1,023	1,283	0	0	0
<b>**Net Expenditures</b>	<b>\$ 2,775,835</b>	<b>\$ 2,909,711</b>	<b>\$ 2,906,552</b>	<b>\$ 2,881,385</b>	<b>\$ 2,881,385</b>
General Fund Support (G.F.S.)	<u>\$ 1,337,891</u>	<u>\$ 1,676,666</u>	<u>\$ 1,651,779</u>	<u>\$ 1,626,612</u>	<u>\$ 1,626,612</u>

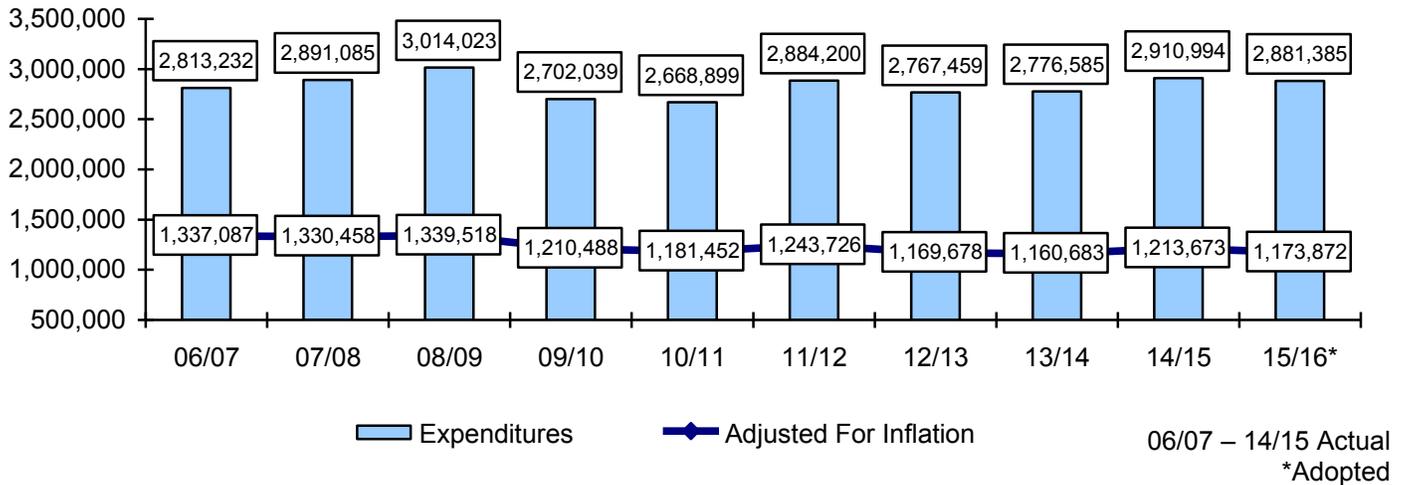
**Number of Employees  
(Full Time Equivalent)**



**Source of Funds**



**10 Year Expenditures Adjusted For Inflation**



**SERVICE PROGRAMS**

The Treasurer, Tax Collector, Public Administrator has a total expenditure level of \$2,881,385 and a total staffing level of 26.00 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: \$199,267 Total Staffing (FTE): 2.12

**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 and 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: \$47,259 Total Staffing (FTE): 0.27

**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: \$1,314,317 Total Staffing (FTE): 11.11

**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: \$410,797 Total Staffing (FTE): 4.11

**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: \$550,374 Total Staffing (FTE): 4.86

**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: \$359,371 Total Staffing (FTE): 3.53

**DEPARTMENT COMMENTS**

The office of the Treasurer, Tax Collector, Public Administrator was consolidated with the office of the Auditor-Controller on August 9, 2013. The combined office continues to work to develop efficiencies and improvements, always with a common goal of providing cost effective, quality service to the community. For FY 2015-16 budget purposes, the two offices will continue to report separately.

The department continually explores effective and efficient ways to enhance its services to the public, as shown in its accomplishments over the years. Over the last twenty years, the department has handled 20% more workload, provided dramatically increased services to county taxpayers, added a variety of online systems, and improved response times. In the interest of better service, the department continues to use staff to answer phone calls from taxpayers and help them solve tax problems directly, rather than use automated phone systems. The department was the first in the State to offer e-Billing for tax bills, which provides taxpayers with a convenient option to receive tax bills electronically. The department was awarded the 2011 Merit Award from the California State Association of Counties for the "Taxes on the Web" system. This system gives the public the ability to access tax information electronically, pay taxes online, and receive electronic tax bills and email reminders, as well as tools to manage multiple properties. All of the above has been accomplished using fewer employees than the department had 20 years ago.

For FY 2015-16, the department continues to modernize systems and services for customers. The department expects to complete its role in a cooperative multi-year effort to move key programs and data from an outdated mainframe environment to a more modern technology infrastructure. This effort will enable future software development to be more responsive and efficient. The department will continue upgrading and rewriting the internally developed "Taxes on the Web" system to increase efficiencies and information available to staff to assist customers. In addition, the department expects to outsource printing of tax bills, to utilize a new more efficient printing technology which will result in new and more readable tax bills. Finally, the department is working on a system which will allow taxpayers with prior year unpaid taxes to enroll in monthly payment plans, rather than require large annual payments as with current systems.

Following are some of the department's notable accomplishments for FY 2014-15 and some specific objectives for FY 2015-16:

**FY 2014-15 Accomplishments**

- Consolidated administrative functions from both the Auditor-Controller's office and the Treasurer-Tax Collector's office, and created one common public service desk with greater capabilities.
- Gathered and analyzed property tax bills used in all 58 California counties, and then redesigned the San Luis Obispo County tax bills to take

**FY 2015-16 Objectives**

- Obtain Board of Supervisors approval to develop and implement a system to allow taxpayers who have prior year unpaid property taxes to enroll in monthly payment plans. Currently only restrictive annual payment plans are available.
- Implement redesign of property tax bills to use new low-cost color printing techniques to

advantage of best ideas and make bills more readable.

- Fully implemented new internally written point-of-sale and tax processing software to allow faster payment processing for taxpayers at the public counter, including receipts by email. The new system allows all tax payments to be processed on the same day as received, even during peak times.
  - Developed a low-cost informative insert, "Where Your Property Tax Dollars Go," which was mailed with all property tax bills.
  - Promoted paperless billing and electronic payment programs, which increased the total number of tax payments paid electronically by 10% to 52,057 payments in the first 6 months of FY 2014-15, and doubled the number of e-billing accounts to 1,800.
- improve functionality and readability, at the same or lower cost than current bills.
  - Continue to partner with the Information Technology and the Assessor departments to complete the conversion of County's mainframe property tax system to a modern database environment. The project is anticipated to be completed in October 2015.
  - Concurrently re-write the "Taxes on the Web" program to take advantage of the improved database to enable better information and online services available to the public.
  - Continue to increase paperless billing and electronic payments and processing, by using billing inserts, press releases, and general taxpayer correspondence. For FY 2015-16, the department expects to process over 100,000 payments electronically.

### **COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS**

The General Fund support for the Treasurer-Tax Collector-Public Administrator is increasing minimally, \$10,361, when compared to FY 2014-15 adopted amounts.

Revenue is budgeted at essentially FY 2014-15 levels of \$1,254,773 with increases/decreases spread throughout all accounts. It is projected that the number of business licenses issued will increase; however, revenue is anticipated to decrease 18% (\$24,843) as the internal loan for the HdL business license upgrade project has been paid off. The Public Administrator program is transferring to the Auditor-Controller's side of the department and as a result estate fee revenue will also be reallocated.

Salary and benefits are recommended to increase by \$19,171. This increase is a combination of wage and benefit increases approved in FY 2014-15, the elimination of an Account Clerk position agreed upon as part of the consolidation and the exchange of positions with the Auditor-Controller. Two positions, a Financial Analyst I/II/III and a Senior Account Clerk, are being transferred to the Auditor-Controller while two positions, an Administrative Assistant III and Administrative Service Officer II, are transferring from the Auditor-Controller to this fund center. The exchange of positions is to better align staff under the service programs of the fund center they are working under. It will also help alleviate some of the difficulties in cost tracking and allocation. Overall, the position transfers are cost neutral.

Services and supplies are increasing by 5% or \$17,371 compared to FY 2014-15 adopted levels. Increases in office expense and professional and special services accounts make up the bulk of the increase. The department anticipates that there will be an increase in the number of tax sale properties (85 to 150) to be sold in FY 2015-16.

No service level impacts are anticipated based on the recommended level of General Fund support for FY 2015-16.

### **BOARD ADOPTED CHANGES**

None.

### **BUDGET AUGMENTATION REQUESTS ADOPTED**

For details about budget augmentation requests (BARs), please refer to Fund Center 107 – Auditor-Controller's Office.

**GOALS AND PERFORMANCE MEASURES**

<p><b>Department Goal:</b> Provide helpful, courteous, responsive service to County departments and the public while accommodating all reasonable requests.  <b>Communitywide Result Link:</b> <input type="checkbox"/> Safe <input type="checkbox"/> Healthy <input type="checkbox"/> Livable <input type="checkbox"/> Prosperous <input checked="" type="checkbox"/> Well-Governed Community</p>						
<p><b>1. Performance Measure: Percentage of customer satisfaction surveys which rate department performance as “excellent” or “good.”</b></p>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
100%	100%	100%	100%	100%	100%	100%
<p><b>What:</b> This measure tracks the satisfaction survey results collected from customers who are served in person, through the mail, or over the Internet.  <b>Why:</b> Customer satisfaction levels are measured and tracked to identify areas in which the department can improve its level of service to the public.  <b>How are we doing?</b> In FY 2014-15, the department received 38 completed customer satisfaction surveys from the public service counter. All 38 survey responses, or 100%, rated the service as “excellent” or “good.” 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 paperless billing. Staff continually cross-train to enhance their knowledge and skills, which increases the level of service available to the public. The projected result for FY 2015-16 remains that 100% of customer satisfaction surveys will indicate that the department’s performance is “excellent” or “good.”</p>						
<p><b>Department Goal:</b> Manage County funds on deposit in the County Treasury to meet three goals, in order of priority: 1) ensure the safety of principal, 2) provide liquidity to meet the funding needs of participants, and 3) earn an appropriate and competitive yield.  <b>Communitywide Result Link:</b> <input type="checkbox"/> Safe <input type="checkbox"/> Healthy <input type="checkbox"/> Livable <input checked="" type="checkbox"/> Prosperous <input checked="" type="checkbox"/> Well-Governed Community</p>						
<p><b>2. 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 of California Local Agency Investment Fund (LAIF).</b></p>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
100%	100%	100%	100%	100%	100%	100%
<p><b>What:</b> The investment yield (return on investments minus all administrative and banking costs) of the County Treasury Pool is compared to the yield of the State of California investment fund, LAIF. The LAIF is utilized as a standard benchmark for investment yield by most California counties as an indicator that investment portfolios are following the market. The LAIF has a fund balance of over \$60 billion, or about 100 times the size of the County Treasury investment pool. Further, the LAIF is a pure investment fund, whereas the County Treasury’s investment pool must also act as an operating fund, covering the daily operating liquidity needs of participating County departments and agencies. This performance measure is based on achieving a relative net yield within 0.5% of the LAIF.  <b>Why:</b> Net investment yield is the third priority for the County Treasury investment pool, after safety and liquidity. Achieving this standard means the County is effectively maximizing its income from investments.  <b>How are we doing?</b> The County Treasury net yield was within the targeted variance of 0.5% compared to the LAIF net yield in FY 2014-2015. The County Treasury continues to explore ways to reduce costs and aggressively search for options to obtain better yields without jeopardizing safety and liquidity.</p>						
<p><b>3. Performance Measure: Maintain an “AAA/V1” credit rating by Fitch Ratings for the Treasury Combined Pool Investments.</b></p>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
“AAA/V1”	“AAA/V1”	“AAA/V1”	“AAA/V1”	“AAA/V1”	“AAA/V1”	“AAA/V1”
<p><b>What:</b> This measure tracks the County Treasury’s success in meeting its safety and liquidity goals for the Treasury investment pool. Fitch Ratings, Inc. (Fitch) is a nationally recognized statistical rating organization that provides an independent evaluation of the investment pool, and its ability to protect the principal and provide liquidity, even in the face of adverse interest rate environments. The target is to achieve the highest available rating.  <b>Why:</b> Credit ratings are an objective measure of the County’s ability to pay its financial obligations as well as meet safety and liquidity goals for the County Treasury investment pool.</p>						

**How are we doing?** Fitch has assigned their highest rating to the County Pool since FY 1994-95. The investment pool's "AAA" rating "reflects the fund's vulnerability to losses as a result of defaults based on the actual and prospective average credit quality of the fund's invested portfolio." The pool's "V1" volatility rating "reflects low market risk and a capacity to return stable principal value to meet anticipated cash flow requirements, even in adverse interest rate environments." Most recently, on July 13, 2015, Fitch affirmed the County Pool's "AAA/V1" rating.

**Department Goal:** Ensure public funds on deposit in the County Treasury are properly managed, safeguarded and controlled, and that accounting is proper and accurate.

**Communitywide Result Link:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

**4. Performance Measure: Percentage of time that "no findings" is the result of the quarterly cash procedures audit, the annual County Treasury audit, and the annual investment policy compliance audit ordered by the County Treasury Oversight Committee.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
100%	100%	100%	100%	100%	100%	100%

**What:** The County Treasury is audited in several ways throughout the year to ensure accurate and proper accounting, and that proper procedures and internal controls are in place and being followed. Each quarter, the Certified Public Accountants firm contracted by the County conducts an unannounced cash procedures audit of the County Treasury. Annually, this outside firm conducts an audit of the County's financial records, including those of the County Treasury. Also annually, the County Treasury Oversight Committee (CTOC) causes an audit to be conducted of the County Treasury's compliance with the approved Investment Policy. The CTOC is comprised of the County Auditor-Controller, a representative from the Board of Supervisors, a qualified member of the public with expertise in finance, and representatives of the schools which have monies deposited in the County Treasury. The CTOC also monitors the County Treasury investment pool's reporting throughout the year. These audits protect the public by ensuring that public funds are properly managed, safeguarded and controlled, and that accounting is proper and accurate. This measure tracks the results of these audits.

**Why:** Internal and external audits certify that public funds on deposit in the County Treasury are properly managed, safeguarded and controlled, and that accounting is proper and accurate.

**How are we doing?** The above audits have consistently resulted in no findings or recommendations. During FY 2014-15, the quarterly unannounced audits of the Treasury were conducted on September 5, 2014, December 8, 2014, March 26, 2015, and June 30, 2015. All of these audits resulted in no findings or recommendations. The annual audit for FY 2014-15 will be conducted in October 2015. It is anticipated that this audit will result in no findings or recommendations.

**Department Goal:** Process tax payments promptly and accurately to provide timely availability of funds to the government agencies for which taxes are collected.

**Communitywide Result Link:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

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

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
3.2%	2.2%	1.37%	1.14%	2.0%	1.08%	1.2%

**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 2013-14, San Luis Obispo County had uncollected current secured taxes of \$5,149,127, or 1.14%. The State average for FY 2013-14 (the last year for which statistics are currently available) was 1.3%. For FY 2014-15 the County had uncollected current secured taxes at the end of the fiscal year totaling \$5,183,970 or 1.08%. The lowest level of uncollected taxes in over 20 years. The lower levels of delinquency are attributed to continued improvements in taxpayer communications and the improving economy. It is anticipated that the percentage of taxes uncollected in San Luis Obispo County will continue to be lower (better) than the state average in FY 2015-16.

**Department Goal:** Continually enhance, improve, and increase usage of online systems, which provide 24/7 access to tax information, options for electronic tax payments, and paperless billing, thereby improving service and providing more environmentally friendly processing.

**Communitywide Result Link:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

**6. Performance Measure: Percentage of tax payments made electronically.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
New	New	30.2%	32.9%	33.0%	35.5%	37.0%

**What:** The Tax Collector's website provides extensive information, and allows for electronic commerce with the community.

**Why:** Electronic payments are more environmentally friendly, saving taxpayers and the department paper, ink, and mail transportation, as well as processing costs. For this reason, the department intends to continue to improve systems and encourage use of electronic payments over time. The ability to locate information and transact business online 24/7 is an important tool to improve the quality of service to the community. This measure reflects progress in usage of online services to better serve the community.

**How are we doing?** The public has continually requested that online services be made available and the department has worked to fulfill these requests. Improvements to the designs of the tax bills in FY 2014-15 made electronic payment options more obvious, resulting in more electronic payments than expected. The department continues to use press releases, billing inserts and individual taxpayer communications to make taxpayers aware of the services available and the options for electronic payments, including free e-checks. Usage of such services, including the use of electronic payments, continues to increase.

**Department Goal:** Expediently 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:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

**7. Performance Measure: Percentage of referrals to the Public Administrator that are completed with an initial investigation report, and a decision to accept or decline, within 15 business days.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
80%	100%	100%	100%	100%	100%	100%

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

**Why:** California Probate Code section 7620 states that the Public Administrator shall act "promptly" in regards to making decisions on case acceptance. This measure demonstrates the County's compliance with this legal requirement 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 investigation of assets, locating family members or beneficiaries, locating trusts or wills if they exist, and securing assets that may be subject to misappropriation. In FY 2014-15, 18 estate referrals were investigated. In 12 of those estate investigations, either an heir or other responsible person was located to administer the estate, or it was determined that there were no estate assets to administer. The remaining 6 estates were accepted for administration by the Public Administrator pursuant to California Probate Code. In FY 2014-15, all of these 18 estate referrals were investigated and determined within the 15 business day policy. The Public Administrator expects to promptly investigate and determine estate administrations within 15 business days throughout the FY 2015-16.