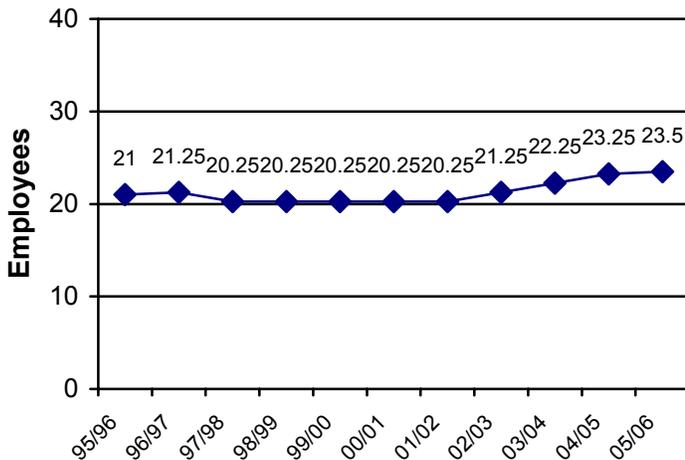


MISSION STATEMENT

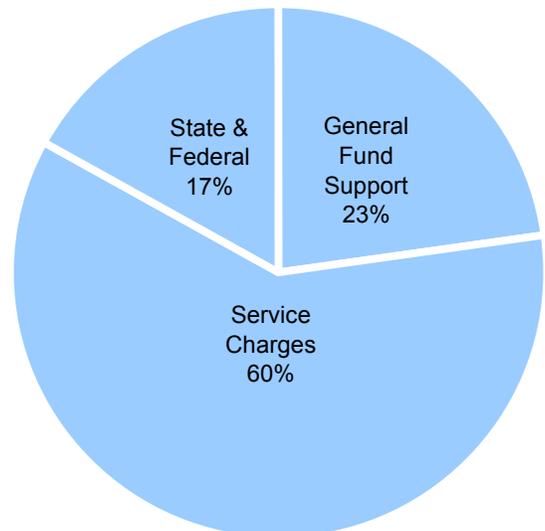
The County Clerk-Recorder’s Office is dedicated to providing thorough and timely information with courtesy and respect for our customers.

| <u>Financial Summary</u> | <u>2003-04 Actual</u> | <u>2004-05 Actual</u> | <u>2005-06 Requested</u> | <u>2005-06 Recommended</u> | <u>2005-06 Adopted</u> |
|-------------------------------|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|
| Revenues | \$ 2,398,761 | \$ 2,778,862 | \$ 2,727,086 | \$ 2,819,379 | \$ 2,819,379 |
| Salary and Benefits | 1,692,824 | 1,713,234 | 1,679,998 | 1,648,507 | 1,648,507 |
| Services and Supplies | 1,311,996 | 1,183,002 | 1,875,721 | 1,846,721 | 1,846,721 |
| Fixed Assets | 68,068 | 27,860 | 154,083 | 154,083 | 154,083 |
| **Gross Expenditures | \$ 3,072,888 | \$ 2,924,096 | \$ 3,709,802 | \$ 3,649,311 | \$ 3,649,311 |
| Less Intrafund Transfers | 876 | 302 | 0 | 0 | 0 |
| **Net Expenditures | \$ 3,072,012 | \$ 2,923,794 | \$ 3,709,802 | \$ 3,649,311 | \$ 3,649,311 |
| General Fund Support (G.F.S.) | \$ <u>673,251</u> | \$ <u>144,932</u> | \$ <u>982,716</u> | \$ <u>829,932</u> | \$ <u>829,932</u> |

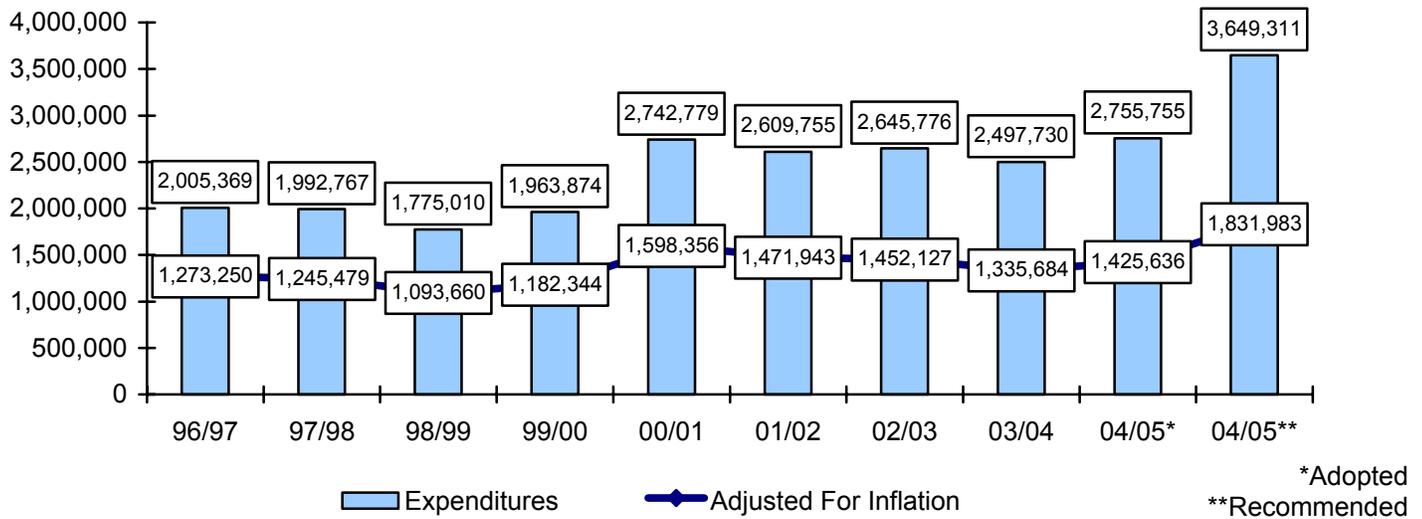
Number of Employees
(Full Time Equivalent)



Source of Funds



10 Year Expenditures Adjusted For Inflation



SERVICE PROGRAMS

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, preserve and maintain files and records. Provide enthusiastic, professional volunteers and staff to perform civil marriage ceremonies. Provide exemplary service to our customers in issuing marriage licenses, filing notary and other bonds, filing fictitious business name statements and processing of passport applications. 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 title and family histories. Encourage and maintain the voter registrations of all electors residing within the County

Total Expenditures: \$1,454,222 Total Staffing (FTE) 13.25

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: \$1,360,372 Total Staffing (FTE): 6

Recorder's Restricted Revenues (Special Projects)

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

Total Expenditures: \$834,717 Total Staffing (FTE): 4.25

DEPARTMENT COMMENTS

This past year has presented many challenges to the Clerk-Recorder's Office. Relocation to the new Government Center provided the opportunity to reposition the department to better respond to the demands of our customers and improve our service. The department reorganization is nearly complete and training for staff to take on their new duties continues in preparation for the scheduled move. The November 2004 presidential election further challenged the department with unprecedented levels of voter registrations, absentee ballot requests and voter turnout. During this tumultuous time, the Department was able to continue to respond to the increasing customer demands due in large part to the automation advancements that have been implemented over the years and the dedicated service of the department staff.

Recognizing the uncertainties of today's economic climate, the County Clerk-Recorder is requesting general fund supported budget augmentations only where necessary to accomplish the mandated duty of conducting elections. The funding increases are due to the higher voter registration totals, increased absentee ballot activity and higher costs of printing election supplies. To assist with processing increased numbers of new voters and registrations changes throughout the year the conversion of a .25 FTE position to .5 FTE is being requested. The Temporary help and overtime costs directly related to the conduct of an election are being reduced in response to employing outside services for printing and inserting absentee ballots and implementation of other efficiency measures.

The department will be faced with several more challenges in the upcoming year. The purchase of equipment necessary to implement the Help America Vote Act (HAVA) requirement of an accessible voting machine at every polling place must be contracted for by December 31, 2005 and in place by June 2006. This purchase is included in this fiscal year budget with all costs to be reimbursed from state and federal HAVA funds. In addition, the department will be involved in the implementation of the Countywide Imaging/Document management system and the installation of a new Voter Registration System. To ensure sufficient automation staff to undertake these major projects and continue to support those automation advances already in place, the department is requesting continuation of the Limited Term Department Automation Specialist (DAS), to be funded from Recorder's Restricted Revenue. In addition, projects to restore and improve access to historical records will be funded from the Restricted Revenue accounts. The department is also faced with the possibility of conducting a Statewide Special Election in fall of 2005. The increased costs of this election have not been included in the budget and if the Governor calls the election, the department will return to your Board for funding. The cost of such election would be borne by the state but the reimbursement would not be likely until the following fiscal year.

The County Clerk-Recorder has responded to the challenges presented by the uncertainty of funding for the last several years, however meeting the net county cost for this fiscal year was an unattainable goal. The cyclical nature of elections accompanies increased costs with revenue reductions as the county is solely responsible for the cost of the primary election and has increased the net county cost by \$249,000. In addition, the countywide overhead applied to the Clerk-Recorder budget increased by 76% due to costs allocated from other departments over which the Clerk-Recorder had no control and the department was able to absorb all but \$68,000 of the \$238,000 increase, resulting in a budget that is \$317,000 over the FY 04/05 net county cost. The budget presented will allow the department to continue to perform our mandated duties and, as in the past, we will continue to strive for efficiencies and cost reductions during the coming year.

COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS

Compared to the FY 04-05 adopted budget, the General Fund Support for the Clerk-Recorder budget is recommended to increase by \$164,749 (24%), recommended expenses for this budget are increased by \$893,556 (32%), and recommended revenues are increased by \$728,807 (34%).

Salary and benefit accounts are decreasing by \$32,676 (1%) but still fund all existing positions and the request to increase a Clerk-Recorder II position from one-quarter time to half time. These recommended amounts include about \$31,400 in salary savings that are anticipated due to hiring at lower salary levels and position vacancies.

The service and supply accounts are recommended for a substantial increase, \$802,349 (76%) above the FY 04-05 level. Several projects contribute to this substantial increase. The implementation of the requirements of California Proposition 41 Voting Modernization Bond and the federal Help America Vote Act accounts for \$448,500 for the purchase of new voting and vote tallying. Most of this expense is offset by revenue from the federal and state government. \$34,000 of expense is tied to conversion of vital records from paper to images. \$50,000 is allocated for services to restore historical records. Restricted revenues will be used to pay for these expenses. Countywide Overhead charges are the other major contributor with an increase of \$238,188 over FY 04-05.

The recommended budget also includes \$154,083 in Fixed Assets. The increase in fixed assets is entirely related to the purchase of equipment to meet Proposition 41 and Help America Vote Act requirements. The recommended amount includes the purchase of 10 optical scan ballot box units (\$62,500), replacement of the primary and back-up file servers used in the elections process (\$11,582) and the purchase of high speed absentee ballot counter (\$80,000).

Overall revenues in the Clerk Recorder budget are recommended to increase by \$728,807 (34%) above FY 04-05 levels. Although overall revenues are increasing, several specific revenue sources show a decline, the most notable of which include a \$151,707 reduction due to the suspension of state reimbursements for specified Clerk-Recorder functions and a decrease of \$186,558 from election revenues. There are no consolidated elections with the Primary election scheduled for next year and the entire cost of the Primary election falls to the County, as election revenues from cities and other special districts will not offset any primary election expenses. Increasing revenues include State Aid revenues, increasing by \$594,383, largely due to Proposition 41 and the Help America Vote Act. Recording fee revenues are increasing by \$280,000 and Clerk-Recorder restricted revenues are increasing by \$383,361. A significant portion of the restricted revenues is supporting one-time expenditures for services and supplies.

The budget does not include potential expenses that might become necessary if the Governor calls for a special election in fall, 2005. If this occurs, the cost of the special election would be borne by the County, as it was for the special election held in 2003. This may require several hundred thousand in supplemental funding for this budget during FY 05-06.

BOARD ADOPTED CHANGES

None.

GOALS AND PERFORMANCE MEASURES

Department Goal: Create, process, maintain, and/or update records and documents (i.e., Board of Supervisor minutes and records, real property and vital records, voter registration, etc.) in a timely and accurate manner to ensure compliance with local, state, and federal laws.

Communitywide Result Link: A well-governed community.

1. Performance Measure: Percentage of documents received by mail which are examined and recorded, or returned, within 2 business days.

| 00/01 Actual Results | 01/02 Actual Results | 02/03 Actual Results | 03/04 Actual Results | 04/05 Projected Results | 04-05 Actual Results | 05/06 Target |
|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|----------------------------|-----------------|
| 88% | 77% | 43%* | 77% | 100% | 80% | 100% |

What: Processing time for official records (e.g. deeds, reconveyances) received in the mail.

Why: To provide prompt customer service to the public, County departments, state, and federal agencies. To comply with law that requires recordation of certain documents within 2 days of receipt.

How are we doing? Recording volumes are stabilizing and decreasing slightly after three years of double digit increases over the 2000/01 levels. This translates into staff being able to record all required documents within the 2 day time period and get closer to achieving the 100% target for all documents.

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

Communitywide Result Link: A well-governed community.

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

| 00/01 Actual Results | 01/02 Actual Results | 02/03 Actual Results | 03/04 Actual Results | 04/05 Projected Results | 04-05 Actual Results | 05/06 Target |
|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|----------------------------|-----------------|
| 2% | 4% | 3.6% | 1.4% | 3% | 3.16% | 4% |

What: Clerk Recorder services available for a fee online.

Why: To enhance customer service and public access to records and to make more efficient use of staff time.

How are we doing? Records copy requests via the web require less staff time and are primarily placed by customers that are unable to contact the office during regular hours. Purchase of birth and death copies has been restricted in the state since 2003 and legislation was passed in 2004 allowing customers to fax a notarized statement for purchase of these records. Since this change our web orders have returned to 02/03 levels.

3. Performance Measure: Percentage of Internet survey respondents who found information they were searching for without a follow up phone call or trip to office.

| 00/01 Actual Results | 01/02 Actual Results | 02/03 Actual Results | 03/04 Actual Results | 04/05 Projected Results | 04-05 Actual Results | 05/06 Target |
|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|----------------------------|-----------------|
| 59% | 50% | 62% | 65% | 80% | 67% | 80% |

What: Responses to website survey.

Why: To enhance customer service and provide information for continuous improvement of our Internet service delivery.

How are we doing? The Clerk-Recorder's website was upgraded in March 2002 and now includes the Official Records and Fictitious Business name indices as well as extensive information about elections, including live election night returns and the precinct by precinct totals for each election. Due to legislation that restricts access of information on the internet, frequently requested items such as vital records indices and images of official records cannot be made available and this will always affect our ability to provide information with this valuable tool. We will continue to use our survey to identify areas where the website needs improvement. The County Clerk-Recorder is one of the departments that will be migrating to the County's planned "topic centric" website and this will further assist all customers in finding the information they are seeking.

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

Communitywide Result Link: A well-governed community.

4. Performance Measure: Cost per absentee ballot.

| 00/01 Actual Results | 01/02 Actual Results | 02/03 Actual Results | 03/04 Actual Results | 04/05 Projected Results | 04-05 Actual Results | 05/06 Target |
|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|----------------------------|-----------------|
| \$3.29 | \$3.09 | \$2.23 | \$2.40 | \$2.50 | \$2.26 | \$2.50 |

What: Cost to issue each absentee ballot.

Why: Absentee ballots are very labor intensive. Currently approximately 45% of San Luis Obispo County voters vote by absentee ballot. Efforts to streamline the process will increase efficiency and keep costs down.

How are we doing? The deployment of technology has had a profound effect on this labor intensive process and San Luis Obispo has use technology as well as introduced efficiencies that have helped reduce the cost from \$4.11 per voter in 1998 to the current \$2.26 per voter. The expansion of permanent absentee status has further assisted in reducing this cost as these voters do not need to apply for a ballot, reducing the staff time to process the ballot by about 1/3.

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

| 00/01 Actual Results | 01/02 Actual Results | 02/03 Actual Results | 03/04 Actual Results | 04/05 Projected Results | 04-05 Actual Results | 05/06 Target |
|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|----------------------------|-----------------|
| \$3.22 | \$3.10 | \$3.32 | \$3.75 | Less than \$3.50 | \$3.54 | \$3.75 |

What: Cost per registered voter of conducting a countywide election.

Why: Conduct elections in the most cost effective manner possible.

How are we doing? Even with the increased voter registrations and high voter turnout, the department was able to maintain its commitment to providing the best election experience in the most cost effective manner. Comparisons with our comparable counties for the November 2004 election were not available.

6. Performance Measure: Voter Participation Rates

| 00/01 Actual Results | 01/02 Actual Results | 02/03 Actual Results | 03/04 Actual Results | 04/05 Projected Results | 04-05 Actual Results | 05/06 Target |
|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|----------------------------|-----------------|
| 77% | 43% | 60% | 64% | 75% | 80.2% | 65% |

What: The San Luis Obispo County voter turnout for statewide elections.

Why: It is a measure of whether people participate in their government and have a stake in their future.

How are we doing? There are many factors which affect voter turnout. The turnout is always higher in a Presidential General election as evidenced by the fluctuations presented above. This office is committed to encouraging voter participation and educates the public on deadlines for voter registration and the process to obtain an absentee ballot for each election. Our commitment to mail voter information pamphlets/absentee ballot applications at the earliest possible date and the posting of information and polling place lookup on the Internet assist our votes in being informed. These efforts are recognized in San Luis Obispo's voter turnout again being higher than the statewide average of 76%.