

Summary Assessor

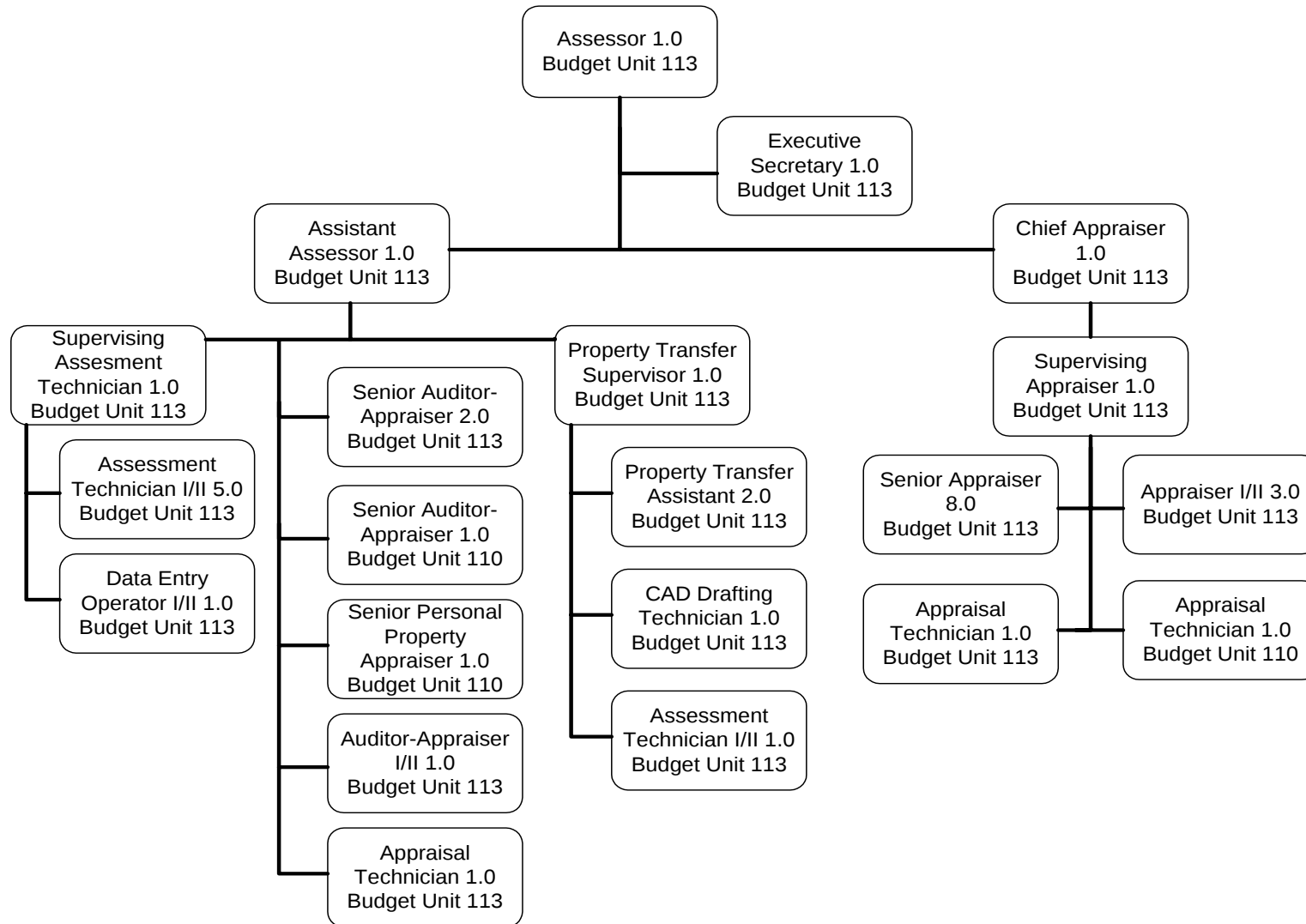
Linda Hill, Assessor

		2003-04	2004-05	2004-05	2005-06	2005-06	Increase/	
	Departmental Summary	Actual	Adjusted	Actual	Request	Adopted	(Decrease)	
	Departmental Revenues							
	Attributable to Department	\$683,141	\$794,075	\$811,430	\$671,020	\$671,020	(\$123,055)	
	General Fund Contribution	1,300,956	1,226,058	1,061,171	1,430,481	1,360,197	134,139	
	Grand Total Revenues	\$1,984,097	\$2,020,133	\$1,872,601	\$2,101,501	\$2,031,217	\$11,084	
	Departmental Expenditures							
	Salaries & Benefits	\$1,687,721	\$1,670,614	\$1,584,227	\$1,803,165	\$1,732,881	\$62,267	
	Supplies & Services	149,532	184,428	150,158	160,030	160,030	(24,398)	
	Other Charges	147,782	111,063	100,716	100,806	100,806	(10,257)	
	Fixed Assets	0	54,614	37,500	37,500	37,500	(17,114)	
	Expense Transfer	(938)	(586)	0	0	0	586	
	Grand Total Expenditures	\$1,984,097	\$2,020,133	\$1,872,601	\$2,101,501	\$2,031,217	\$11,084	
	Departmental Staffing	37.00	36.00	36.22	36.22	36.22	0.22	

The Assessor's Office includes the following budget units:

- 1100 110 Assessor AB 818
- 1100 113 Assessor

Organizational Chart:



		2003-04	2004-05	2004-05	2005-06	2005-06	Increase/ (Decrease)
	1100 - General Fund	Actual	Adjusted	Actual	Request	Adopted	
	Revenues						
	Other Gov't Agencies	\$269,541	\$275,334	\$222,500	\$266,201	\$266,201	(\$9,133)
	General Fund Support	1,092	0	(247)	0	0	0
	Total Revenues	\$270,633	\$275,334	\$222,253	\$266,201	\$266,201	(\$9,133)
	Expenditures						
	Salaries & Benefits	\$181,891	\$195,329	\$176,412	\$184,853	\$184,853	(\$10,476)
	Supplies & Services	16,890	32,433	24,362	33,767	33,767	1,334
	Other Charges	17,238	10,072	10,071	10,081	10,081	9
	Fixed Assets	54,614	37,500	11,408	37,500	37,500	0
	Total Expenditures	\$270,633	\$275,334	\$222,253	\$266,201	\$266,201	(\$9,133)
	Allocated Positions	4.00	4.00	4.00	4.00	4.00	0.00
	Temporary (FTE)	N/A	0.22	0.22	0.22	0.22	0.00
	Total Staffing	4.00	4.22	4.22	4.22	4.22	0.00

Purpose

This budget provides funding for staffing the State-County AB 818 (Chapter 914, Laws of 1995, and amended by Chapter 521, Laws of 2001) Property Tax Administration Program. The

Assessor's Office serves as the lead agency overseeing the administration of the program.

Major Budget Changes

Salaries & Employee Benefits

- \$34,650 General salary and benefits increases.
- (\$26,209) Increase in budgeted salary savings.

Fixed Assets

- \$15,000 10 replacement computers
- \$5,000 New scanner for electronic records storage
- \$15,000 Upgrade to Megabyte Tax System
- \$2,500 Replacement furniture

Revenues

- \$43,701 Increase in State-County Property Tax Administration Program revenue.

Program Discussion

This budget unit is entirely funded by the State-County Property Tax Administration Program. This program was originally created by State legislation in 1994 to enable counties to enter into an agreement to borrow funds from the State Department of Finance. Repayment of the loan was accomplished by performance of workload goals. The initial legislation was for three years. Recent legislation has changed the program from a loan to a grant program and extended it

through 2006-07. Maintenance of effort agreements to guarantee base funding and staffing levels by counties are still required for participation.

Humboldt County's performance goals for this program have included canvassing for non-permitted new construction, a non-mandatory audit program, continuing assessment of low-value properties, reduction of the assessment appeals backlog and a review of agricultural properties for accuracy of assessment. The funds are used to employ four people to accomplish the performance goals and to purchase computers, furniture and other assets to improve office efficiency. In the nine years completed to date, over \$6.69 million of additional tax revenue can be attributed to the County's participation in the program.

An Appraisal Technician position continues to be held vacant in FY 2005-06 to stay within the fund's revenue resources.

2004-05 Accomplishments

1. Additional workload and tax roll values made possible by the four staff members in this budget unit.
2. Replaced six computer workstations to increase the speed of processing data.
3. Purchased mobile home and agricultural preserve history enhancements for the Assessor's property tax system software.

2005-06 Objectives

1. To complete additional workload and add to tax roll values.
2. To continue to replace and upgrade computer hardware and software for maximum efficiency.
3. To purchase an E-filing enhancement for the property tax system software.

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		2003-04	2004-05	2004-05	2005-06	2005-06	Increase/	
	1100 - General Fund	Actual	Adjusted	Actual	Request	Adopted	(Decrease)	
	Revenues							
	Charges for Services	\$462,212	\$481,096	\$381,190	\$359,819	\$359,819	(\$121,277)	
	Other Revenues	62,322	55,000	50,299	45,000	45,000	(10,000)	
	General Fund Support	1,224,966	1,061,171	1,196,991	1,430,481	1,360,197	299,026	
	Total Revenues	\$1,749,500	\$1,597,267	\$1,628,480	\$1,835,300	\$1,765,016	\$167,749	
	Expenditures							
	Salaries & Benefits	\$1,488,723	\$1,388,898	\$1,420,706	\$1,618,312	\$1,548,028	\$159,130	
	Supplies & Services	167,538	117,725	116,902	126,263	126,263	8,538	
	Other Charges	93,825	90,644	92,093	90,725	90,725	81	
	Expense Transfer	(586)	0	(1,221)	0	0	0	
	Total Expenditures	\$1,749,500	\$1,597,267	\$1,628,480	\$1,835,300	\$1,765,016	\$167,749	
	Allocated Positions	32.00	32.00	32.00	32.00	32.00	0.00	
	Temporary (FTE)	0.00	0.00	0.00	0.00	0.00	0.00	
	Total Staffing	32.00	32.00	32.00	32.00	32.00	0.00	

Purpose

The County Assessor is an elected constitutional officer and is responsible, under state law, for the discovery, valuation and assessment of all taxable property located in the County.

Functions of the office include valuation and appraisal of real and personal property, record maintenance for changes of ownership and new construction, administration of exemptions and assessment appeals, mapping of subdivisions and lot-split activity, and upholding assessment standards.

Major Budget Changes

Salaries & Employee Benefits

- \$127,322 General salary and benefits increases, including reversal of unpaid work furloughs for 14 employees and reinstatement of two positions held vacant in 2004-05.

Services & Supplies

- \$2,176 Increase in transportation and travel expenses.
- \$3,743 Increase in insurance costs.

Revenues

- (\$19,725) Decrease in property tax administration fees due to increased shift of property taxes to the state.

- (\$5,609) Decrease in estimated Assessor's document sales.

Program Discussion

All school districts, special districts and the seven incorporated cities receive funds from County property tax revenue. In recent years, many special districts have based flat charges and benefit assessments on information included in the assessment roll.

The County General Fund pays for the administration of the property tax system. Since the passage of SB 2557 in 1990, special districts and cities have reimbursed the County for their proportionate share of this cost. This amount is called the Property Tax Administration Fee. Public schools are exempt by State law from paying their proportionate share even though schools receive over 67% of the property tax revenue generated in Humboldt County. The County receives 5 percent of supplemental roll billings for costs of administering the supplemental program.

The Assessor's Office sells assessment roll information, property characteristics and copies of documents and maps. These revenues, along with the Assessor's Office share of the Property Tax Administration Fee, are netted against total expenditures to arrive at the net county cost of the Assessor's budget.

To meet budget reduction goals in FY 2004-05, the Assessor's Office held five positions vacant and the remaining 27 members of the staff took voluntary unpaid work furloughs amounting to 5% of their gross salaries. For FY 2005-06, the Assessor's Office is reinstating funding for two of the vacant

positions (a Property Transfer Supervisor and an Appraiser I) and is reversing work furloughs for 14 of the 27 staff members who took unpaid work furloughs in FY 2004-05. To meet budget goals for 2005-06, two Assessment Technician I positions and a Supervising Appraiser position will again be held vacant, and 13 staff members will continue to volunteer varying percentages of work furloughs averaging 8%.

The adopted budget includes a one-time infusion of \$121,277 of General Fund monies to offset an estimated reduction in Property Tax Administration Fee revenues that result from the increased shift of property tax revenue to the State.

Unfunded Supplemental/Restoration Funding Requests

The Assessor's Office requested \$70,284 to reinstate an Appraisal Technician and an Assessment Technician I position that were held vacant and unfunded in FY 2004-05. According to the California State Auditor's study of the property tax loan/grant program, for every dollar invested in additional field staff work, an additional \$11 in tax revenue is generated. Based upon this information, the restoration of these two positions could generate \$773,000 in additional property tax revenue. The County would retain \$108,000 of this amount, and Property Tax Administration Fee revenue would increase by \$16,000 for a total of \$124,000 in new revenue. Thus, reinstating the two positions may generate approximately \$50,000 in tax revenue over and above the cost of their salaries and benefits. Per the direction of the Board, all supplemental funding requests will be considered later in the year.

2004-05 Accomplishments

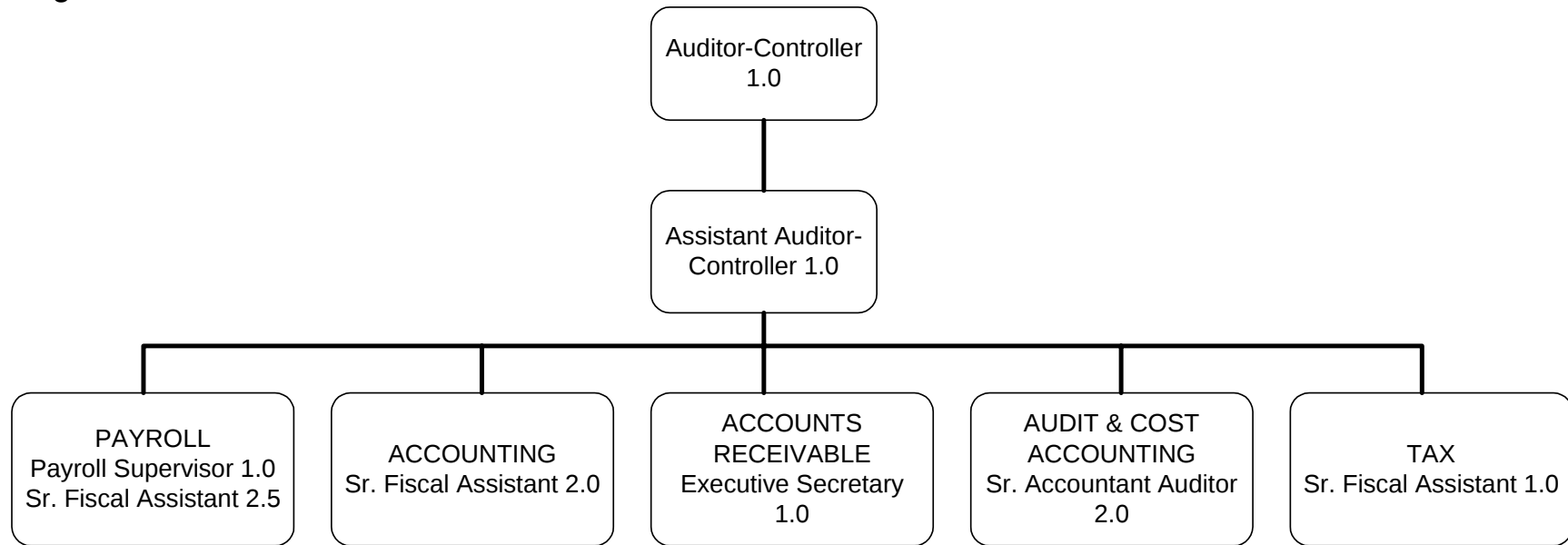
1. Increased total property tax roll value from \$7.5 billion in FY 2004-05 to an estimated \$8.3 billion in FY 2004-05.
2. Reviewed approximately half of the County's 135 agricultural preserve contracts (covering 1,400 separate parcels) for compliance with the Board's 2002 guidelines for the Williamson Act program.
3. Worked with the State Board of Equalization, County Counsel, and Community Development to address parcel splits that are not in conformance with Timber Production Zone restrictions.

2005-06 Objectives

1. To complete timely assessments of all taxable property in Humboldt County and thereby increase the total property tax roll value from \$8.3 billion to \$9.1 billion.
2. To continue progress on the Williamson Act compliance review.
3. To work with County Counsel and Community Development and present an action plan regarding Timber Production Zone parcel splits to the Board of Supervisors.

		2003-04 Actual	2004-05 Adjusted	2004-05 Actual	2005-06 Request	2005-06 Adopted	Increase/ (Decrease)
1100 - General Fund							
Revenues							
Use of Money & Property		\$0	\$0	\$0	\$0	\$0	\$0
Charges for Services		40,766	46,801	41,051	76,378	76,378	29,577
Other Revenues		7,128	1,000	5,730	5,000	5,000	4,000
General Fund Support		803,497	704,674	702,814	787,521	787,521	82,847
Total Revenues		\$851,391	\$752,475	\$749,595	\$868,899	\$868,899	\$116,424
Expenditures							
Salaries & Benefits		\$765,076	\$630,117	\$634,060	\$750,595	\$750,595	\$120,478
Supplies & Services		50,549	86,827	79,634	83,512	83,512	(3,315)
Other Charges		35,766	35,531	35,901	34,792	34,792	(739)
Total Expenditures		\$851,391	\$752,475	\$749,595	\$868,899	\$868,899	\$116,424
Staffing							
Allocated Positions		14.00	11.00	11.00	12.50	12.50	1.50
Temporary (FTE)		N/A	0.00	0.00	0.36	0.36	0.36
Total Staffing		14.00	11.00	11.00	12.86	12.86	1.86

Organizational Chart:



Purpose

The Auditor-Controller serves as chief accounting officer in the County; records the financial transactions of the County and other related agencies; audits and processes claims for payment; issues receipts for all monies received by the County; prepares financial reports; compiles the County budget; audits and issues payroll checks; maintains personnel earning and benefit records; accounts for property tax monies; oversees the divisions of Payroll, Accounting, Accounts Receivable, Audit and Cost Accounting and Property Tax.

Major Budget Changes

Salaries & Employee Benefits

- \$59,986 General salary and benefits increases.
- \$57,549 Restoration of one Accountant-Auditor and a half-time Senior Fiscal Assistant position.

Services & Supplies

- (\$2,316) Decrease in insurance costs.

Revenues

- \$37,400 Increase in A-87 cost reimbursement revenue.

Program Discussion

The adopted FY 2005-06 budget for the Auditor-Controller's Office totals \$868,899. The County General Fund contributes \$787,521, or 90.6%, of that amount. The recommended budget represents a status quo budget.

The adopted budget includes a one-time infusion of \$37,400 of General Fund monies to offset the reduction in Property Tax Administration Fee revenues that result from the increased shift of property tax revenue to the State.

The loss of two positions in FY 2004-05 continues to impact existing staff in that priorities are set that accomplish the most important tasks while other duties are delayed or remain in the 'to do' file. Reports and other documents with deadlines become the most important items on the department's agenda. Payroll is functioning short-handed due to a vacancy that occurred several months ago; once the position has been filled, the work backlog will need to be eliminated before the Payroll section can return to its normal productivity level.

To rectify this situation, the FY 2005-06 budget includes a total of \$57,549 to restore one Accountant-Auditor I/II and a half-time Senior Fiscal Assistant to relieve understaffing. This would enable the Auditor-Controller's Office to more quickly update and certify fixed asset information into the County's financial management system, reconcile the quarterly and annual payroll reports, and audit work within the County departments. The cost of the request is mitigated by a decrease in extra-help staffing (\$8,279) and a \$37,400

increase in A-87 cost reimbursements, for a net General Fund cost increase of \$84,707.

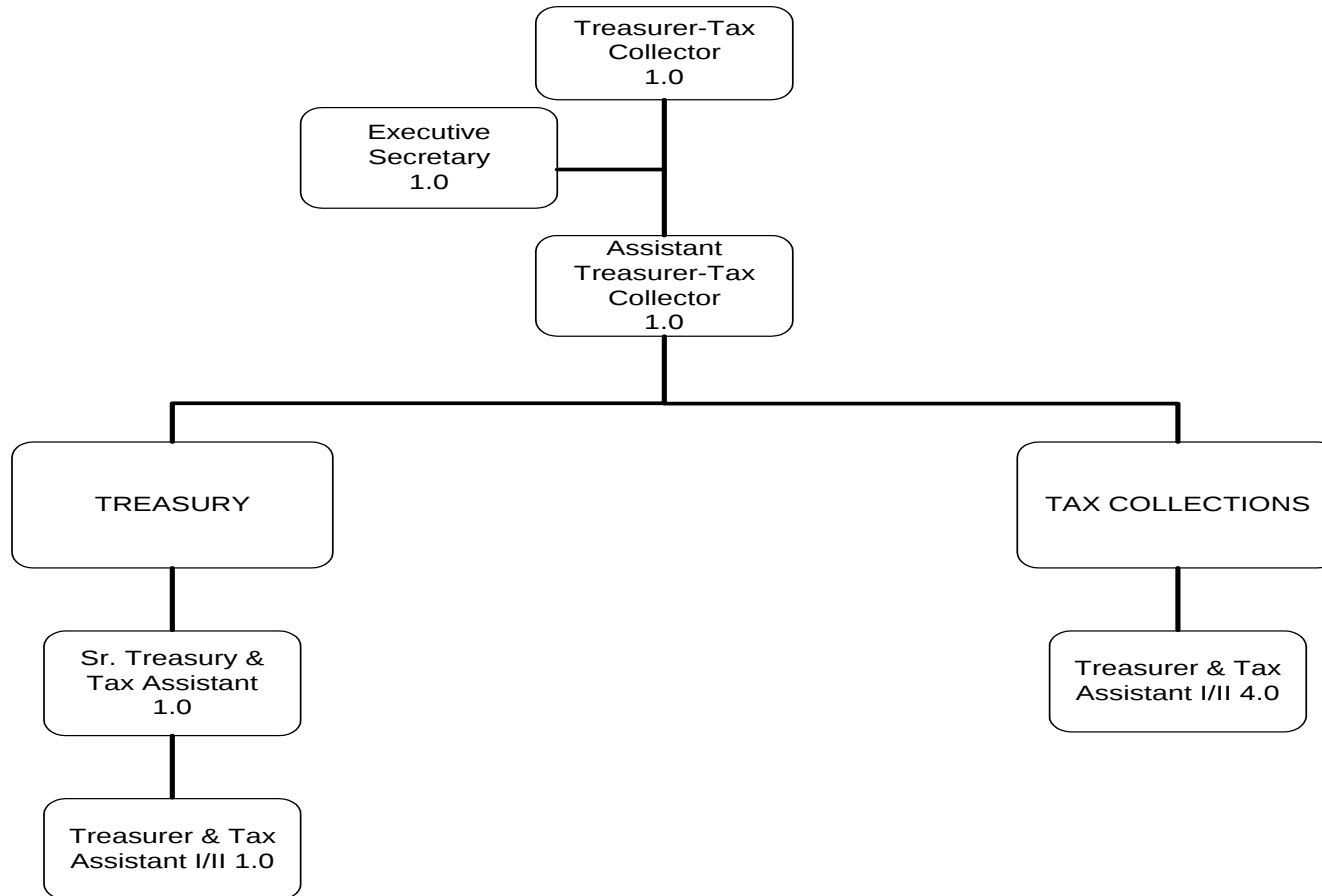
2004-05 Accomplishments

1. Met deadlines and completed assigned tasks despite significantly reduced staffing.
2. Worked with departments to shift certain accounts payable and payroll duties to departments for completion.
3. Received a commendation from outside auditors Bartig, Basier & Ray for improving year-end closing procedures and modifying how proprietary activity is reported on financial statements.
4. Improved timeliness of reconciling and balancing monthly transactions and banking records, reducing the backlog by several months.

2005-06 Objectives

1. To continue to comply with all state and federal deadlines, and close FY 2004-05 financial records no later than September 30.
2. To continue to work with departments so that they can perform more on-site work.
3. To implement procedural changes so that errors in payment processing are caught at an earlier stage of the process.

		2003-04	2004-05	2004-05	2005-06	2005-06	Increase/
	1100 - General Fund	Actual	Adjusted	Actual	Request	Adopted	(Decrease)
	Revenues						
	Taxes	\$106,418	\$96,500	\$100,218	\$149,400	\$149,400	\$52,900
	Licenses & Permits	47,489	54,000	48,379	52,000	52,000	(2,000)
	Charges for Services	188,795	208,695	156,637	168,408	168,408	(40,287)
	Other Revenues	33,994	28,000	46,181	37,100	37,100	9,100
	General Fund Support	268,540	268,362	278,041	323,740	323,740	55,378
	Total Revenues	\$645,235	\$655,557	\$629,456	\$730,648	\$730,648	\$75,091
	Expenditures						
	Salaries & Benefits	\$470,424	\$494,224	\$474,657	\$520,846	\$520,846	\$26,622
	Supplies & Services	114,527	102,947	95,849	131,752	131,752	28,805
	Other Charges	60,285	58,386	58,950	63,445	63,445	5,059
	Fixed Assets	0	0	0	14,605	14,605	14,605
	Total Expenditures	\$645,235	\$655,557	\$629,456	\$730,648	\$730,648	\$75,091
	Allocated Positions	10.00	9.00	9.00	9.00	9.00	0.00
	Temporary (FTE)	N/A	1.14	1.14	1.17	1.17	0.03
	Total Staffing	10.00	10.14	10.14	10.17	10.17	0.03

Organizational Chart:**Purpose**

The Treasurer-Tax Collector's office provides services to other County departments and performs functions for several local government agencies not under the control of the County Board of

Supervisors. Tax collections are performed for all taxing agencies including the County, cities, school districts and various special districts. The Treasurer also safeguards and invests the monies for the County, school districts, and most of the special districts in Humboldt County.

Major Budget Changes**Salaries & Employee Benefits**

- \$46,189 General salary and benefits increases.

Services & Supplies

- \$13,412 Increase in professional and specialized services due to megabyte data purchase and administration of County's deferred compensation plans.
- \$1,702 Increase in office supplies expense.
- \$14,765 Increase in publications expenses and title search fees due to more parcels being sold at auction.
- \$2,152 Increase in office equipment expense for ergonomic keyboard holders, chairs, and printer.
- \$1,755 Increase in equipment maintenance expenses due to expiration of warrantee on previously-purchased equipment.
- \$1,341 Increase in out-of-county transportation expenses for training on tax law regarding deferred compensation plans.

Fixed Assets

- \$5,005 3 replacement workstations.
- \$9,600 6 replacement computers to ensure compatibility with upgraded property tax system.

Revenues

- \$22,635 Increase in cost recovery fees for secured property taxes and notice fees.
- \$3,622 Increase in business license fees based on historical experience.
- \$9,100 Revenue from sale of internet tax data to title companies.

Program Discussion

The Treasurer-Tax Collector's Office provides services both to the public – which includes taxpayers, title companies, realtors, bondholders, etc. – and to various governmental agencies, such as the State of California, the County, school districts, special districts, cities, commissions, and other local government entities.

The Treasurer-Tax Collector's Office invests funds for the County and collects major taxes such as property taxes and transient occupancy taxes, and also performs debt servicing on the County's long-term debt instruments, administers the County's deferred compensation and defined benefit plans, and issues dance permits and business licenses.

The State and many local government entities, including the County, rely heavily on property tax income to finance their programs. The Treasurer-Tax Collector's Office collects property tax revenue for all of these entities. The County has entered agreements with the taxing agencies to pay them 100% of the tax levy. The County then receives the delinquent penalties and interest until payment is received. This increases the importance to the County that delinquent taxes are collected. In fact, the County has obligated itself to pay these entities whether or not the secured taxes are collected. The County General Fund receives only 14¢ of every

property tax dollar collected (a figure which was 15.5¢ prior to the State's most recent shift of property taxes from local government to schools). Of the remaining 86¢, the State receives 67¢ and all other local government entities combined receive 19¢.

Local government entities pay property tax administration fees to the County to reimburse it for the cost of assessing properties, billing the property taxes, and collecting the revenue. However, the State has exempted itself from paying property tax administration fees. Thus, when the State shifted additional property taxes from local governments to the State beginning in FY 200405, the County lost not only its share of property taxes, but also the property tax administration fees that the local governments would have paid. The Treasurer-Tax Collector's General Fund revenue contribution was increased by \$32,887 for FY 2005-06 to compensate for the estimated loss.

The Treasurer's investment function covers most local governmental agencies in the county. County government comprises about 15% of the total money in the treasury. Most of the county money is associated with the Headwaters Fund, comprising about 10% of the total.

The department deals with about thirty different agencies a day in addition to county departments. This consists of telephone calls, letters, and personal visits. Receipts and disbursements now exceed \$500 million each per year.

The adopted budget for FY 2005-06 is essentially a status quo budget, although both revenues and expenditures have increased somewhat. Charges and fees have been increased to reflect increasing departmental costs. There is also an increase in Professional and Special Services expenses, with an offsetting increase in miscellaneous revenue for the purchase and sale of internet tax data.

2004-05 Accomplishments

1. Reviewed the mutual fund options in the County's deferred compensation plans, replacing numerous low-performing funds with higher-performing funds, to provide improved investment options for County employees.
2. Administered the issuance of Certificates of Participation for the financing of the County's new Animal Shelter.
3. Enacted changes that sped up processing of tax payments by approximately 5%, thereby increasing interest earned on local government investments.
4. Created a new storage area that provides more room in the office and better file organization.
5. Implemented electronic banking transfers for assistance payments through the Department of Health and Social Services.

2005-06 Objectives

1. To purchase and install a new treasury system.
2. To provide internet access to property tax information.
3. To increase collection efforts on delinquent accounts, thereby generating additional revenue for the County.
4. To explore and/or implement debt/credit card tax collection methods.