



**Property Records and Taxpayer
Services Department
2009 Proposed Budget**

Budget Highlights

- Departmental Functions
- Economic Impacts on Budget
- Non-Levy Revenue Changes
- FTE Changes
- Operating Transfers/Fund Balance Use
- Technology Fund Projects
- Recording Compliance Report
- Summary

Departmental Functions

- Direct public service in the areas of assessment, property records, property tax, licensing and elections
- 100.44 FTE Department-wide
- Services provided at Valley Ridge Mall and all three county service centers

Levy Target

- Adjusted for Even-year/Odd year election costs (\$90,000)
- Adjusted for collections service provided by Financial Services
- Met levy target; however use of Fund Balance from the Department Unallocated Fee Fund is needed

Economic Impact on Department Budget

- **Recordable Documents are down (10% from Budget 2008; even with projected 2008)**
- **Mortgage and Deed Tax documents down (16% drop and 22% drop)**
- **Passport Processing is Down**
- **Less Dealer Work in LC from slower car sales**

Economic Impact on Department Budget

- **Fewer Passports leads to fewer birth certificates**
- **Less development activity leading to fewer tax information and data requests**

Non-levy Budget Changes

Election Changes

- SD 834 Contract
 - 2003-2007 contract for services
 - Paid for all costs including some existing staff costs
 - Switched to even year elections
- Odd year reduction in ballot printing, supplies, mailing costs
- Oakdale/Woodbury Election Contracts

Non-levy Budget Changes

Administrative Revenue:

- Slight decrease in business licensing (City of Scandia)
- Gravel Tax Administration
 - 5% admin fee (\$28,000)
- Assessment Fees
 - 4% increase approved by Board

Non-levy Budget Changes

Passports:

- Federal Govt. reduced the county processing fee from \$30 to \$25
- Budget includes an increase in the Passport Photo fee from \$10 to \$15
- Passports processed is projected to fall from 2007 to 08/09

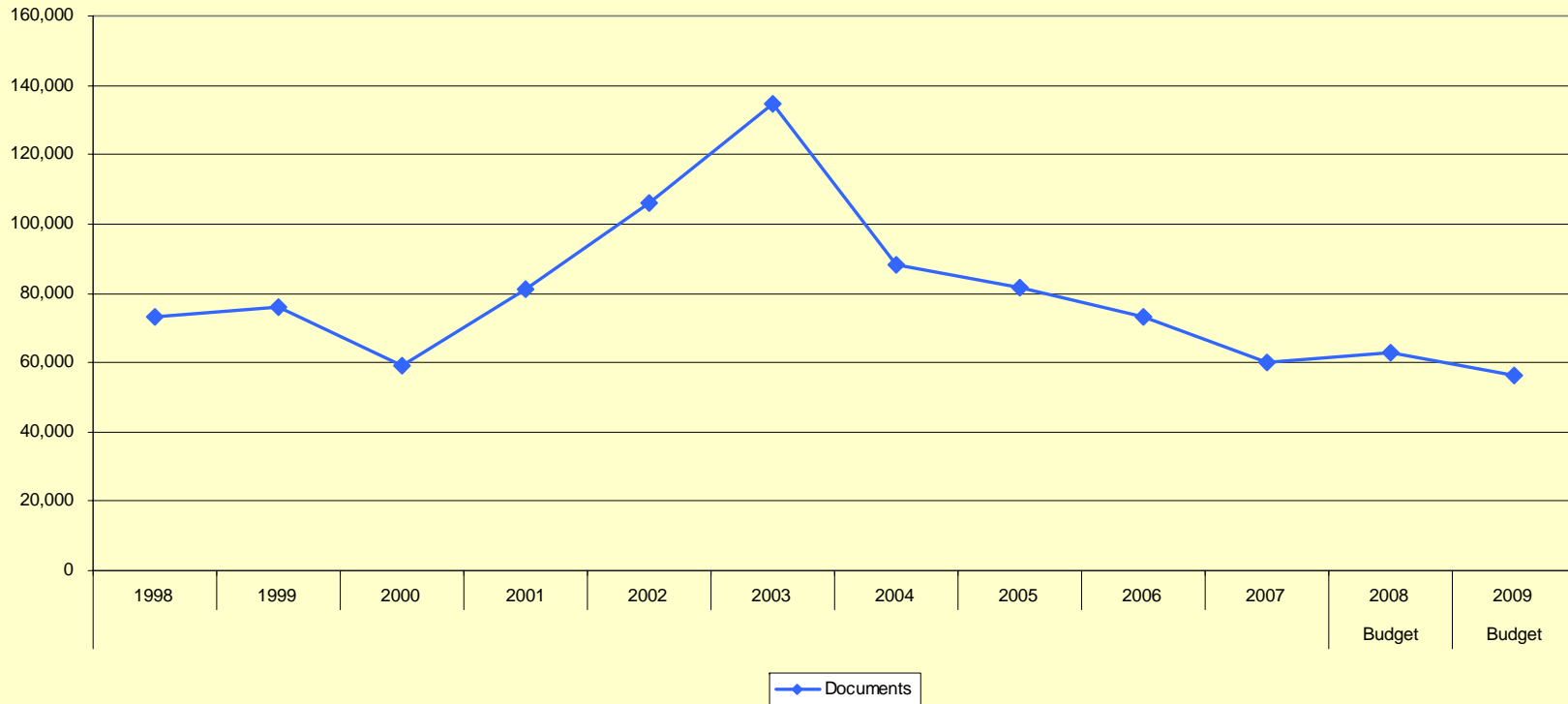
Recording Revenue

Distribution of \$46.00 Recording Fee

- \$10.50 to State General Fund
- \$14.50 to County General Fund (operations)
- \$10 to Technology Fund (projects/tech)
- \$11 to Unallocated Fund (levy reduction)

Property Records Documents

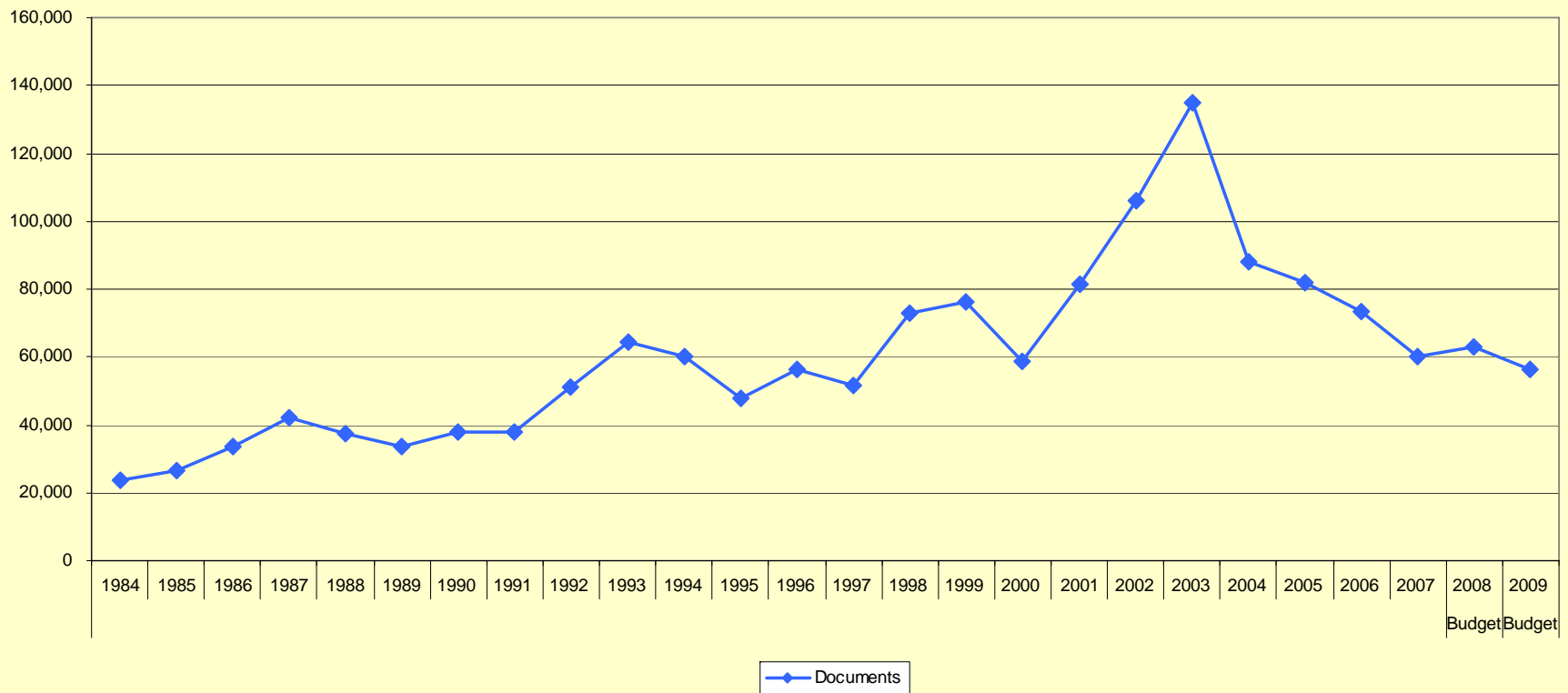
Real Estate Documents Recorded (last 10 yrs)



2009 Projection 56,500 documents

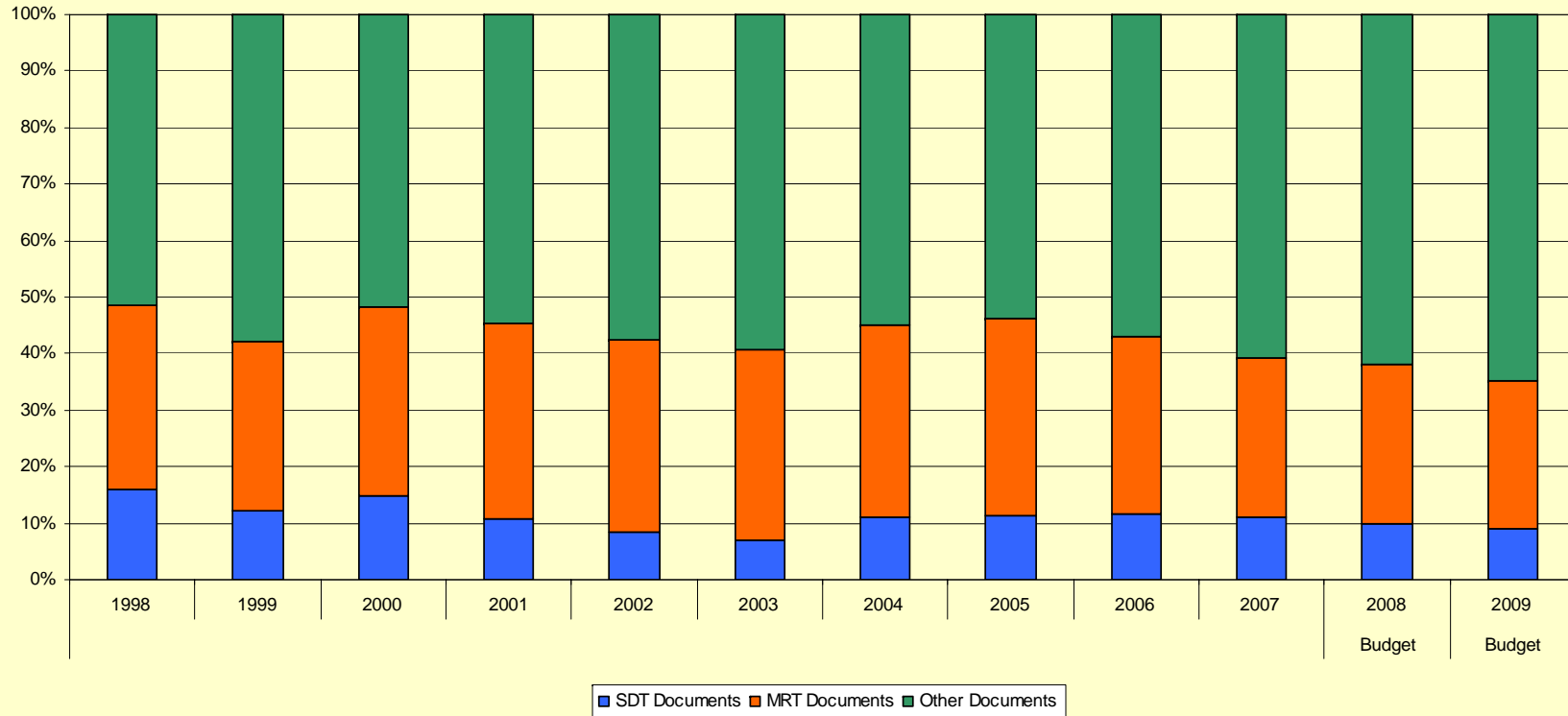
Property Records Documents

Real Estate Documents Recorded (1984 - pres.)



Property Records Documents

Recorded Document Type Analysis

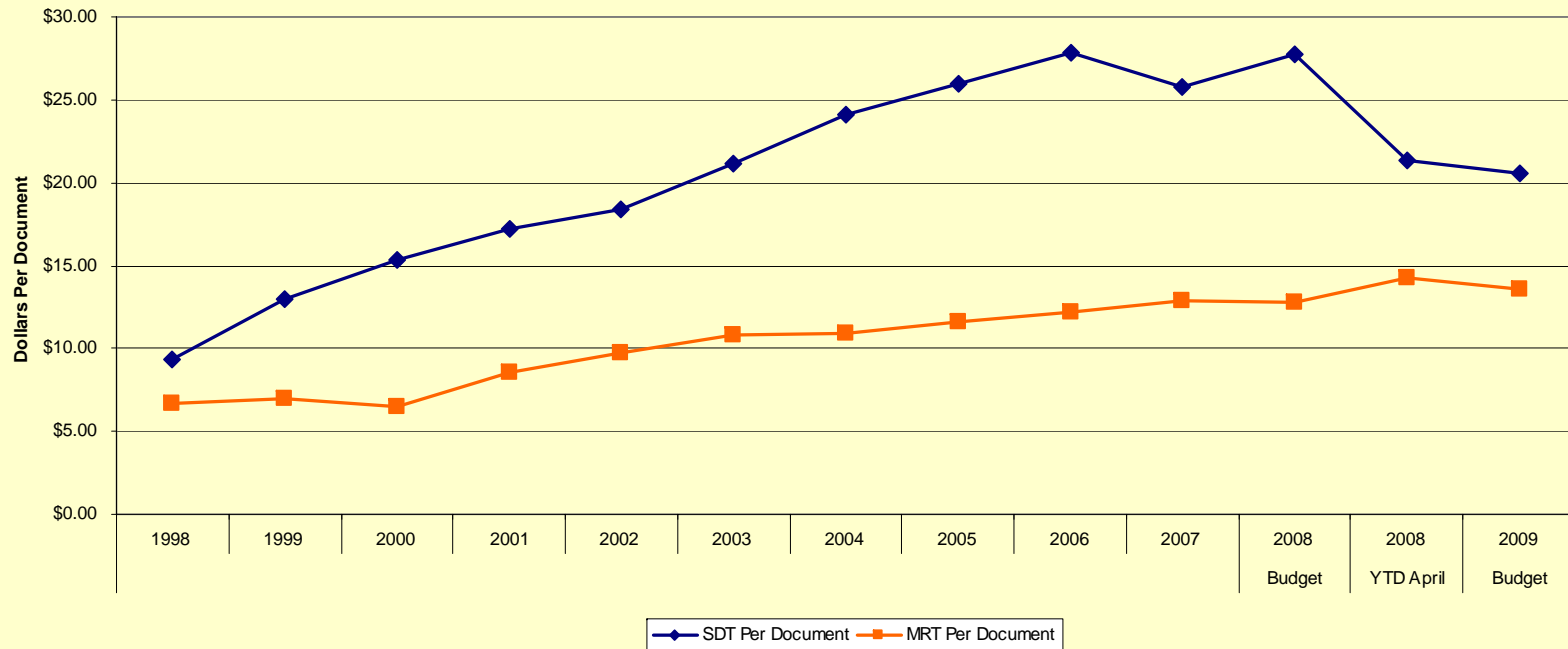


Deed and Mortgage Tax docs falling faster than overall

Replaced by lien and foreclosure documents

Property Records Documents

State Deed and Mortgage Registration Tax Per Document Processed



County retains 3% of Mortgage Registration and Deed Tax

Average sales prices are dropping affecting deed tax amounts



Property Records Documents

| Revenue | Fiscal Impact | % Change |
|-----------------------|---------------|----------|
| Abstract General Fund | (\$81,100) | (10%) |
| Torrens General Fund | (\$18,500) | (15%) |
| Unallocated Fee | (\$78,800) | (11%) |
| Mortgage Registration | (\$29,000) | (13%) |
| Deed Tax | (\$74,000) | (41%) |
| Total | (\$281,400) | |

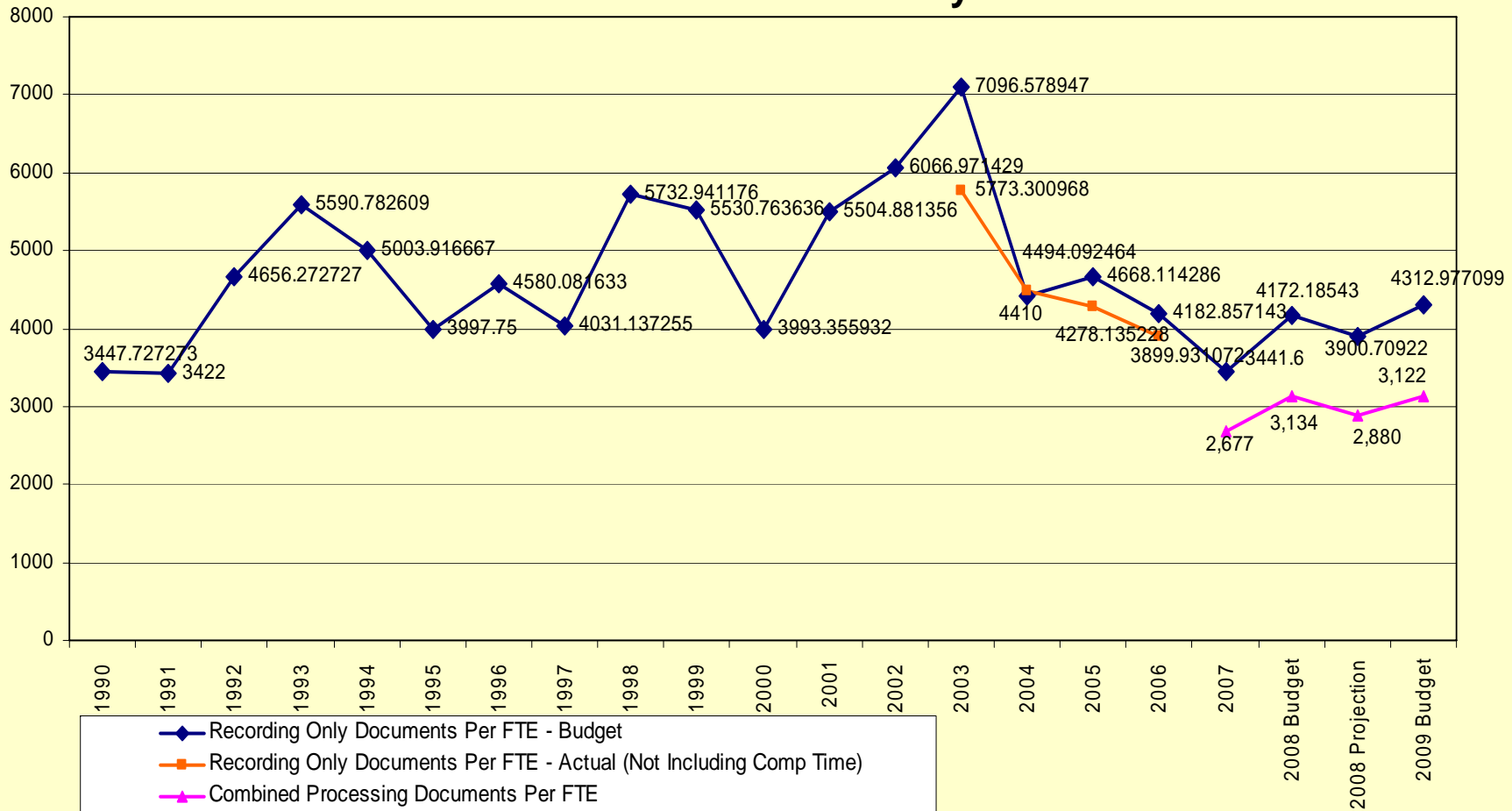
Departmental Response

PRTS

- 1.8 FTE eliminated in 2009 Budget
- .5 FTE SPPJ in LC allowed to expire end 2008
- .5 FTE Elections SPPJ allowed to expire end 2008
- 2.0 FTE transferred in 2008 Budget
- .4 FTE eliminated in 2008 Budget
- 1.0 SPPJ allowed to expire in 2007
- Property Records Staff providing support to other divisions to reduce overtime, temporary and special project costs

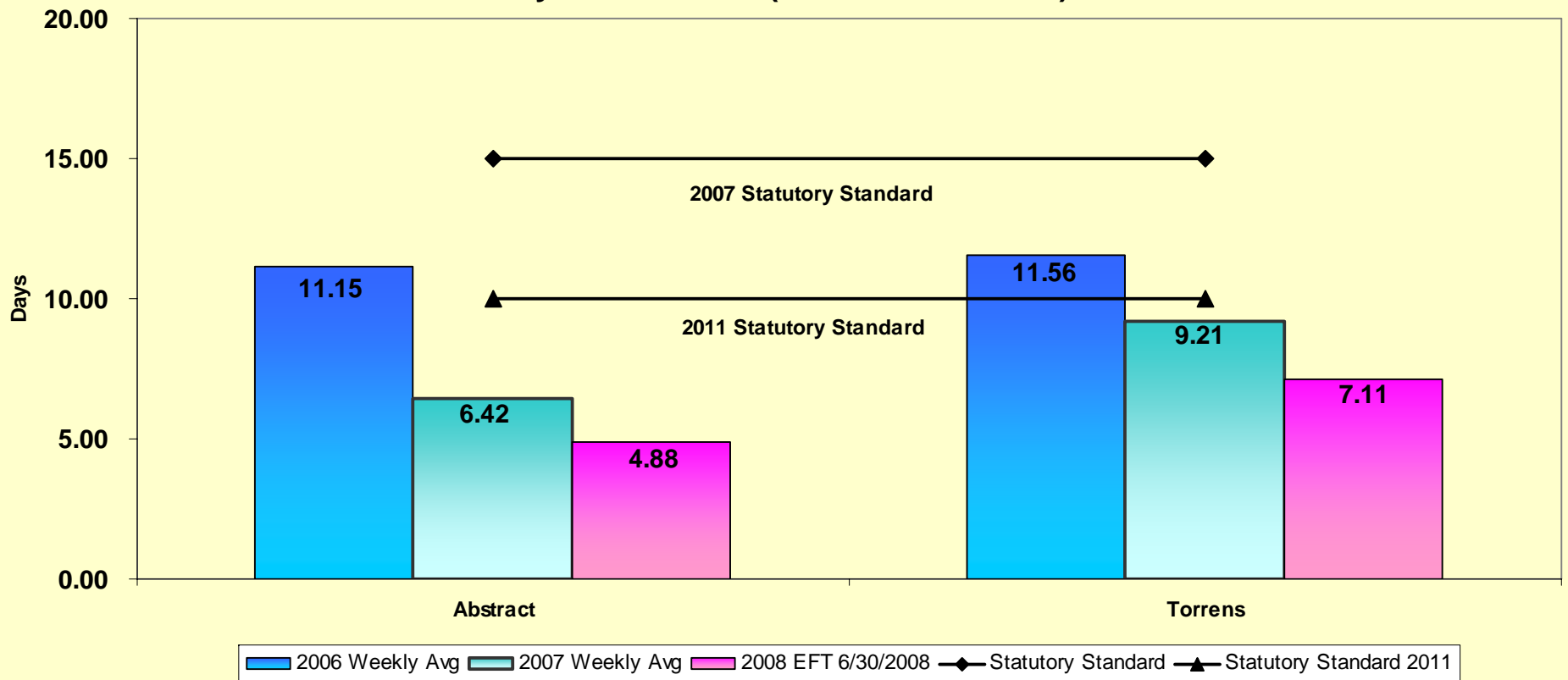
Document Processing

Property Records Division Documents Per FTE Analysis



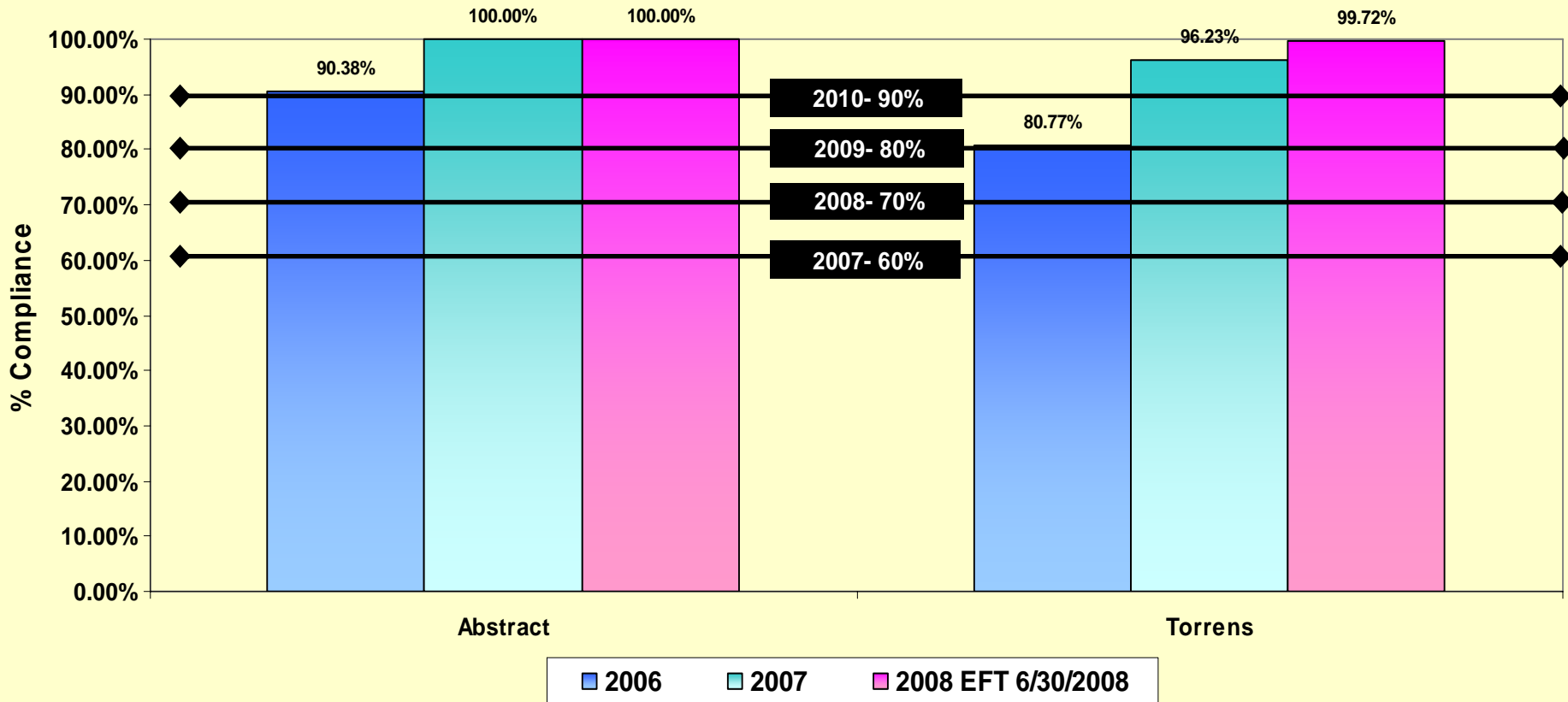
Compliance Reporting

Property Records
Days to Process (actual vs. statute)



Compliance Reporting

Property Records Annual Report Recording Compliance - MN Statute 357.182(a) as of 6/30/2008



FTE Summary/Expenditure Changes

- No new position requests
- Reduction of 1.8 FTE in Property Records
- No supplemental budget requests
- Mileage reimbursement increase

Fund Balance Use/Operating Transfers

Fund 128 (Unallocated Fee Fund)

- 2006/2007 Revenue – No expenses
- 2008 & 2009 Utilized revenue to buy down levy needs in department functions related to land records

Fund Balance Use

Fund 128 (Unallocated Fee Fund):

- Projected 2008 Fund Balance - \$878,000
- Planned Use of FB 2009 - \$352,500
- Projected YE 2009 Fund Balance - \$525,500

Property Records & Tax Divisions

Technology Fund Projects

Total Projected Revenue: \$560,000

Total Project Requests: \$339,000

Total Unspent Revenue: \$221,000

Projected 12/09 Fund Balance: \$480,500

Projects Include: One-time Manatron Costs, historical document conversion, technology replacement, maintenance agreements, scanner & website hosting costs

Summary

- Budget makes the necessary changes in the Property Records area related to the document decline
- Will continue to provide the services we currently are with the same FTE in all other areas
- Non-levy revenue decreases are significant, but we are actively managing the impact
- The responsible use of the Fund Balance allows us to continue to provide service without a significant levy impact

Summary (cont.)

- New Tax System in late 2008
- The merged document processing has been successful
- Significant number of tax law changes for 2009
- Increased activity and services at the Service Center counters
- New web offerings in Property Records