



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Clerk-Recorder-
Assessor
Auditor-Controller
Treasurer-Tax Collector
Department No.: 061,062,065
For Agenda Of: 6/26/2007
Placement: Administrative
Estimated Tme: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department
Director(s) Bob Geis, Auditor-Controller (x 2100);
Joe Holland, Clerk-Recorder-Assessor (x 2575);
Bernice James, Treasurer-Tax Collector (x2490)
Contact Info: Jim McClure, Clerk-Recorder-Assessor x 2574

SUBJECT: Software System for improving the Property Tax Process

County Counsel Concurrence

As to form: No

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: CEO

As to form: Select_Concurrence

Recommended Actions: Approve a budget revision designating \$694,000 for the property tax system improvement project from unanticipated revenue in the Assessor and Auditor-Controller departments

Summary Text:

These funds will be utilized to procure and/or develop software & other upgrades to improve the Property Tax Administration Process which includes the description and valuation of properties by the Assessor, the Collection of Property Taxes by the Tax Collector and the distribution by the Auditor-Controller. The most immediate concern is the replacement/upgrading of an antiquated mainframe software system used to bill, collect & distribute county property taxes.

Background: The Assessor, Auditor and Tax Collector provide general government services in the form of property tax administration to the roughly 126,000 parcel owners in the County. The assessed tax roll is \$55 billion resulting in the billing, collection and distribution of \$550 million in taxes each

year to schools, the county, cities, special districts and redevelopment agencies. The County billing, collection and tax distribution tools and computer applications are in need of an upgrade. While significant improvements have been implemented with in house products, we are now considering the use of a third party software to speed up improvements and minimize the significant risk of continuing to run a mainframe based software package.

The County each year recovers a portion of the costs of property tax administration from cities and special districts. This Property Tax Administration Fee is provided for by SB 2557. This year due to the 2004-05 Sales Tax ‘flip’ and Vehicle License Fee ‘swap’ the County tax departments received \$549 thousand more for property tax administration fees than the budget estimate (\$514 thousand in the Assessor budget and \$35 thousand in the Auditor-Controller budget). In addition, the Auditor-Controller had an addition \$145 thousand in unanticipated revenue due to a combination of SB 90, Court and other property tax fee reimbursements.

It is requested that your Board approve the attached budget revisions for these unanticipated Property Tax related Fiscal Year 06-07 revenues for future use in improving and upgrading the current property tax processes across the three departments.

Performance Measure:

Fiscal and Facilities Impacts: These are unanticipated revenues. Placing the revenues into designations will not lower the estimated Fiscal Year 06-07 fund balance used to develop the Fiscal Year 07-08 budget.

Budgeted: No

Fiscal Analysis:

<u>Funding Sources</u>	<u>Funding Sources</u>	<u>Annualiz</u> <u>ed</u>	<u>Total One-Time</u> <u>Project Cost</u>
General Fund			
State			
Federal			
Fees (Unanticipated Revenues)	\$ 694,000.00		
Other: (Designation)			\$ (694,000.00)
Total	\$ 694,000.00	\$ -	\$ (694,000.00)

Narrative:

Staffing Impacts:

Legal Positions:

FTEs:

Special Instructions:

Provide copies of approved Budget Revision the AC, CRA & TTC

Attachments:

Authored by: Jim McClure

cc: Bob Geis, Joe Holland and Bernice James