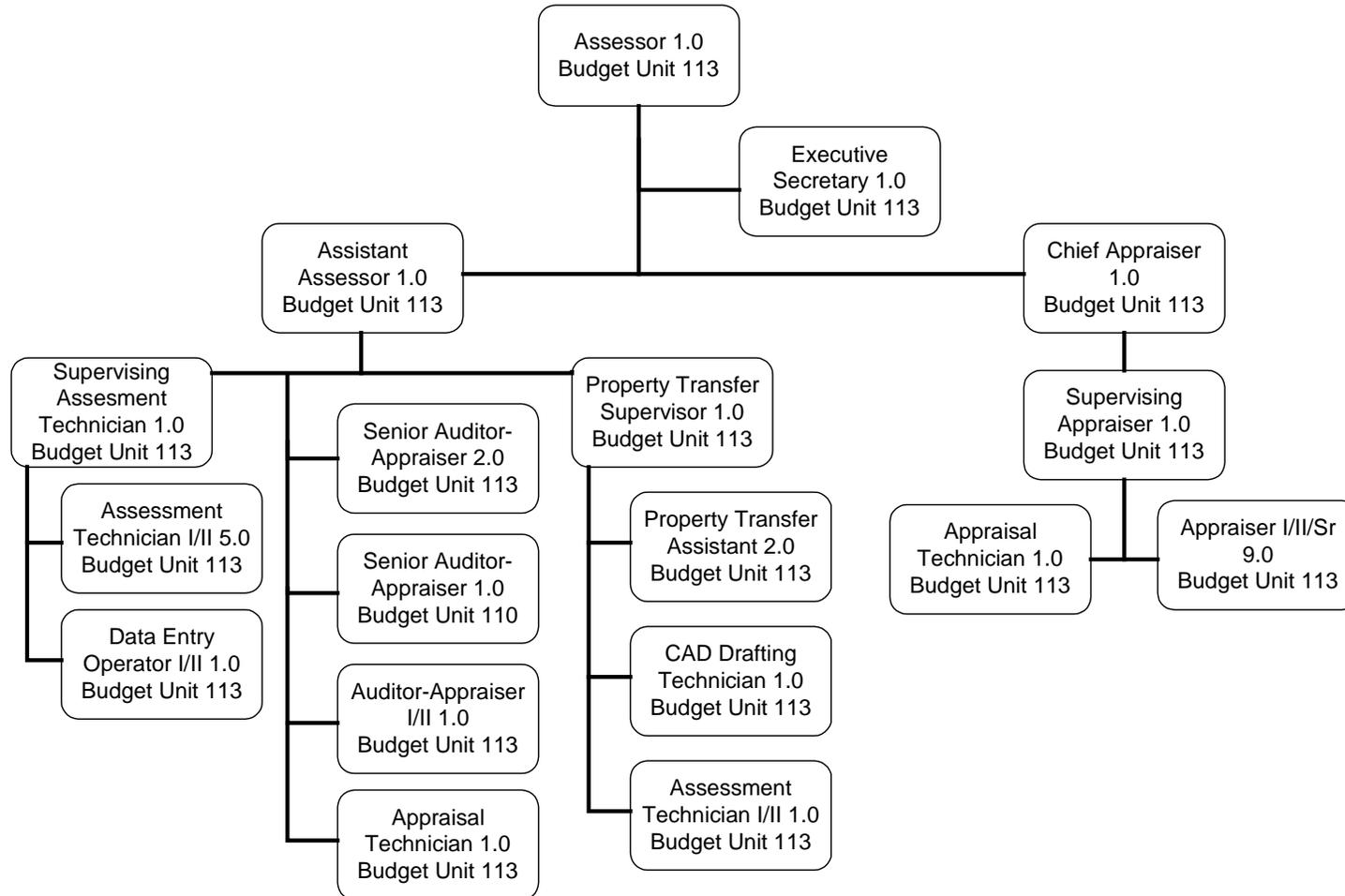


Departmental Summary	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Request	2006-07 Adopted	Increase/ (Decrease)
Departmental Revenues							
Attributable to Department	\$683,141	\$794,075	\$653,989	\$591,850	\$538,607	\$538,607	(\$53,243)
General Fund Support	1,300,955	1,226,058	1,196,744	1,398,405	1,884,582	1,627,379	228,974
(To)/From Non-GF Fund Balance	0	0	0	0	0	0	0
Grand Total Revenues	\$1,984,096	\$2,020,133	\$1,850,733	\$1,990,256	\$2,423,189	\$2,165,986	\$175,730
Expenditures							
Salaries & Benefits	\$1,687,721	\$1,670,614	\$1,597,118	\$1,717,051	\$2,090,237	\$1,888,012	\$170,961
Supplies & Services	149,531	184,428	141,264	142,184	164,362	133,549	(8,635)
Other Charges	147,782	111,063	102,164	100,806	146,090	134,425	33,619
Fixed Assets	0	54,614	11,408	30,214	22,500	10,000	(20,214)
Expense Transfer	(938)	(586)	(1,221)	0	0	0	0
Total Expenditures	\$1,984,096	\$2,020,133	\$1,850,733	\$1,990,256	\$2,423,189	\$2,165,986	\$175,730
Departmental Staffing	37.00	36.00	36.22	36.22	36.22	33.00	(3.22)

The Assessor's Office consists of the following budget units:

- 1100 110 Assessor AB818
- 1100 113 Assessor

Organizational Chart:

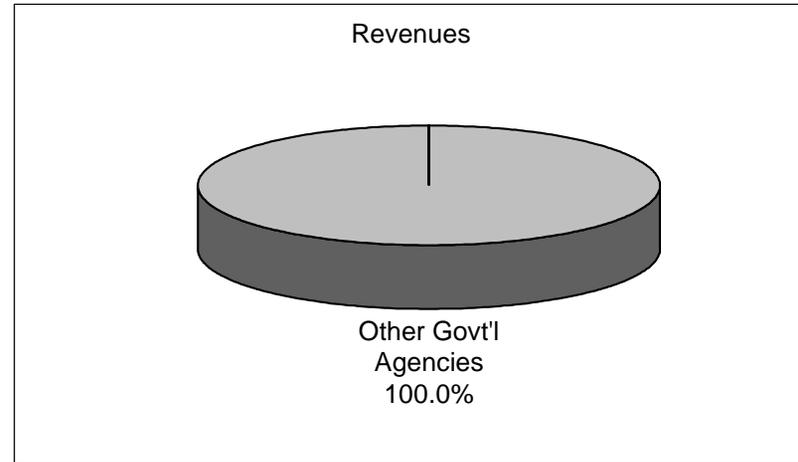
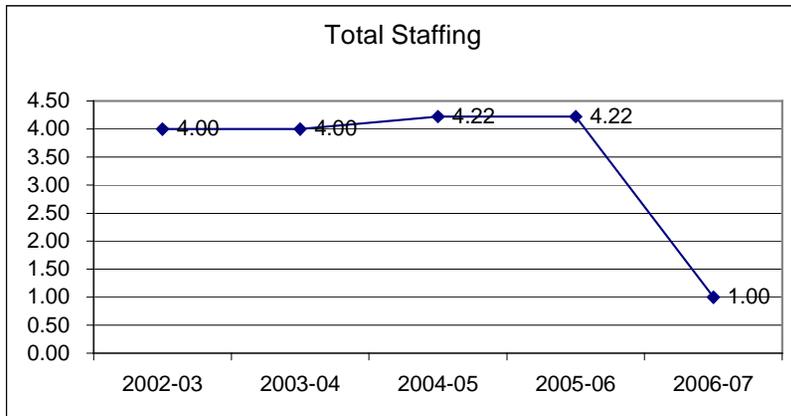


1100 - General Fund	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Request	2006-07 Adopted	Increase/ (Decrease)
Revenues							
Other Govt'l Agencies	\$219,300	\$269,541	\$222,500	\$191,853	\$60,000	\$60,000	(\$131,853)
General Fund Support	530	1,092	(247)	0	172,449	0	0
Total Revenues	\$219,830	\$270,633	\$222,253	\$191,853	\$232,449	\$60,000	(\$131,853)
Expenditures							
Salaries & Benefits	\$149,870	\$181,891	\$176,412	\$130,736	\$167,471	\$50,000	(\$80,736)
Supplies & Services	16,630	16,890	24,362	20,822	30,813	0	(20,822)
Other Charges	53,330	17,238	10,071	10,081	11,665	0	(10,081)
Fixed Assets	0	54,614	11,408	30,214	22,500	10,000	(20,214)
Total Expenditures	\$219,830	\$270,633	\$222,253	\$191,853	\$232,449	\$60,000	(\$131,853)
Staffing							
Allocated Positions	4.00	4.00	4.00	4.00	4.00	1.00	(3.00)
Temporary (FTE)	N/A	N/A	0.22	0.22	0.22	0.00	(0.22)
Total Staffing	4.00	4.00	4.22	4.22	4.22	1.00	(3.22)

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.

This budget unit represents additional funding for Assessor’s duties provided by the State of California through the County-State Property Tax Administration Program.



Major Budget Changes

Salaries & Employee Benefits

- (\$134,853) Decrease in salary and benefits due to elimination of State funding.

Services & Supplies

- (\$33,767) Decrease in office supplies, professional and outside services, postage, and other accounts due to elimination of State funding.

Fixed Assets

- \$10,000 8 replacement computers

Revenues

- (\$206,201) Decrease in State-County Property Tax Administration Program revenue.

Program Discussion

The County, 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.

This budget unit is entirely funded by the State-County Property Tax Administration Program. This program was originally created by State legislation 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 nominally extended it through 2006-07. However, funding for this budget unit was not included in the Governor's budget for FY 2006-07. The \$60,000 included in the FY 2006-07 adopted budget represents the Assessor's estimate of carry-over funding from FY 2005-06.

No lay-offs will be necessary under the proposed budget. Three of the four allocated positions in this budget unit are vacant, and the fourth incumbent is expected to retire during FY 2006-07. The adopted budget provides sufficient funding

to pay for the salary and benefits of the remaining employee, and purchase eight replacement computers for the Assessor's Office.

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. In the ten years completed to date, over \$8.39 million of additional tax revenue can be attributed to Humboldt County's participation in the program.

Unfunded Supplemental/Restoration Funding Requests

The Assessor requested 3.0 FTE and \$172,449 to maintain staffing and administrative costs at their FY 2005-06 levels. Since the positions to be deleted in this budget are vacant, no state funding has been budgeted for FY 2006-07, and the probability of receiving state funding for FY 2007-08 is unknown, County backfill of state funding was not recommended.

2005-06 Accomplishments

1. Added to the County's tax roll values and supplemented the workload of the Assessor's Office through the three filled staff positions in this budget unit.

2. Replaced six computer workstations and one printer to increase the speed of processing data.
3. Purchased e-Filing enhancement for the Assessor's property tax system software. Allows businesses to e-File their annual 571-L Business Property Statement.
4. Participated in the State Board of Equalization's new on-line training program. Appraisal staff kept current on their continuing education requirements without the time and expense of traveling to State classes.

2. To continue to upgrade computer hardware for maximum efficiency. The Assessor's property tax system software requires minimum computer equipment requirements to be functional. As advances are made to the property tax system software it is mandatory for the computer equipment in the Assessor's office to be upgraded to maintain the use of the program.
3. To seek restoration of State funding for this program to enable the Assessor's Office to improve efficiency and productivity in a cost effective manner.

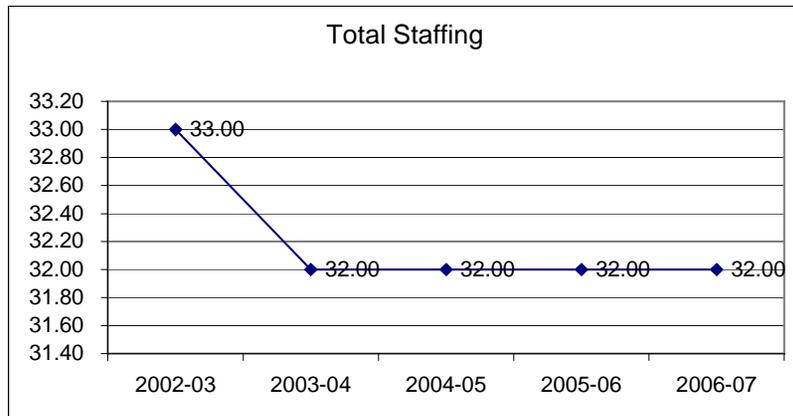
2006-07 Objectives

1. To complete additional workload and add to tax roll values.

1100 - General Fund	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Request	2006-07 Adopted	Increase/ (Decrease)
Revenues							
Charges for Services	\$424,613	\$462,212	\$381,190	\$356,578	\$433,607	\$433,607	\$77,029
Other Revenues	39,228	62,322	50,299	43,420	45,000	45,000	1,580
General Fund Support	1,300,425	1,224,966	1,196,991	1,398,405	1,712,133	1,627,379	228,974
Total Revenues	\$1,764,267	\$1,749,500	\$1,628,480	\$1,798,403	\$2,190,740	\$2,105,986	\$307,583
Expenditures							
Salaries & Benefits	\$1,537,851	\$1,488,723	\$1,420,706	\$1,586,315	\$1,922,766	\$1,838,012	\$251,697
Supplies & Services	132,902	167,538	116,902	121,363	133,549	133,549	12,186
Other Charges	94,452	93,825	92,093	90,725	134,425	134,425	43,700
Expense Transfer	(938)	(586)	(1,221)	0	0	0	0
Total Expenditures	\$1,764,267	\$1,749,500	\$1,628,480	\$1,798,403	\$2,190,740	\$2,105,986	\$307,583
<hr/>							
Allocated Positions	33.00	32.00	32.00	32.00	32.00	32.00	0.00
Temporary (FTE)	N/A	N/A	0.00	0.00	0.00	0.00	0.00
Total Staffing	33.00	32.00	32.00	32.00	32.00	32.00	0.00

Purpose

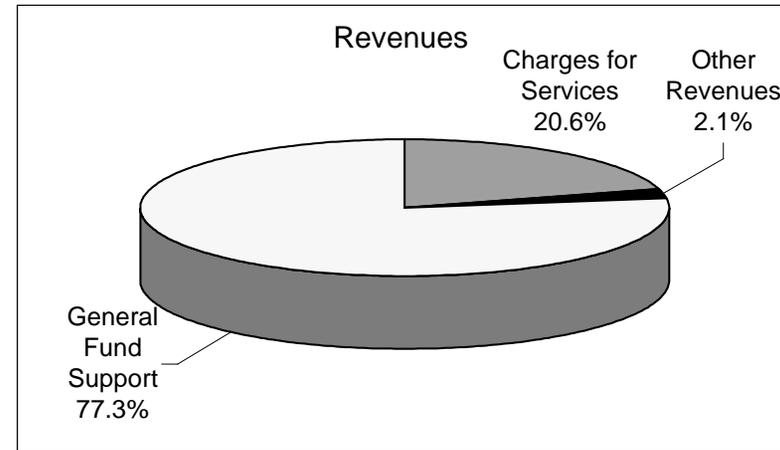
The County Assessor is an elected constitutional officer and is responsible, under state law, for the discovery, valuation and assessment of all taxable property located in the County. Functions of the office include valuation and appraisal of real and personal property, record maintenance for changes 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

- \$215,427 General salary and benefit adjustment.



- \$74,558 Restoration of funding for a Supervising Appraiser position held vacant and unfunded since FY 2004-05.

Services & Supplies

- \$25,500 Increase in transportation and travel, office supplies, and professional and outside services formerly funded by the Property Tax Administration Program.
- (\$8,000) Decrease in postage costs.

Revenues

- \$75,788 Increase in property tax administration fees due to decreased shift of property taxes to the state.

- \$2,000 Increase in characteristics sales (documents that describe the physical characteristics of the structures on a parcel).

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 61.7% of the property tax revenue generated in Humboldt County. The County receives 5% 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.

In lieu of paying the Property Tax Administration Fee, the State Legislature enacted the Property Tax Administration Program (see Assessor's AB818 budget #110) to assist Assessors' Offices to review properties for accurate tax assessments. Since its inception, the Property Tax Administration Program (PTAP, or AB 818 Program) budget has been funding replacement and upgrades of the Assessor's computer hardware and software systems, along with staffing and various Services and Supplies expenses. Because the State did not fund the PTAP program for FY 2006-07, approximately \$26,600 in Services and Supplies costs have been shifted back to this main 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. In FY 2005-06, two of the positions were restored, along with funding to reverse work furloughs for 14 of the 27 staff members.

For FY 2006-07, the adopted budget reinstates funding for one additional position, a Supervising Appraiser, and none of the current staff members will be subject to work furloughs. The Supervising Appraiser will free up the Chief Appraiser's time to focus on complex appraisals such as unique commercial and industrial sites, Williamson Act and Timber Production Zone issues, and litigation and appeals. The Supervising Appraiser will supervise 10 field Appraisers, conduct field work, and train new staff. This last duty is especially important since the Assessor's Office experienced three retirements in the first quarter of FY 2006-07, as well as other vacancies.

Unfunded Supplemental/Restoration Funding Requests

The Assessor's Office requested \$84,754 to reinstate two Assessment Technician positions that have been held vacant and unfunded since FY 2004-05, and reclassify them to Appraisal Technicians. 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 approximately \$932,000 in additional property tax revenue. The County would retain \$145,000 of this amount, and Property Tax Administration Fee revenue would increase by \$18,000 for a total of \$163,000 in new revenue. Thus, reinstating the two positions could have generated approximately \$78,000 in tax revenue over and above the cost of their salaries and benefits.

2005-06 Accomplishments

1. Increased total property tax roll value from \$8.25 billion in FY 2004-2005 to an estimated \$8.66 billion in FY 2005-2006.
2. Completed the review of over 100 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. Continued working 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.
4. Participated in the State Board of Equalization's new on-line training program. Appraisal staff kept current on their continuing education requirements without the time and expense of traveling to State classes.

2006-07 Objectives

1. To complete timely assessments of all taxable property in Humboldt County and thereby increase the tax roll value from \$8.66 billion in FY 2005-06 to \$9.1 billion in FY 2006-07.
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.
4. To continue to seek ways to improve efficiency and productivity in a cost-effective manner.

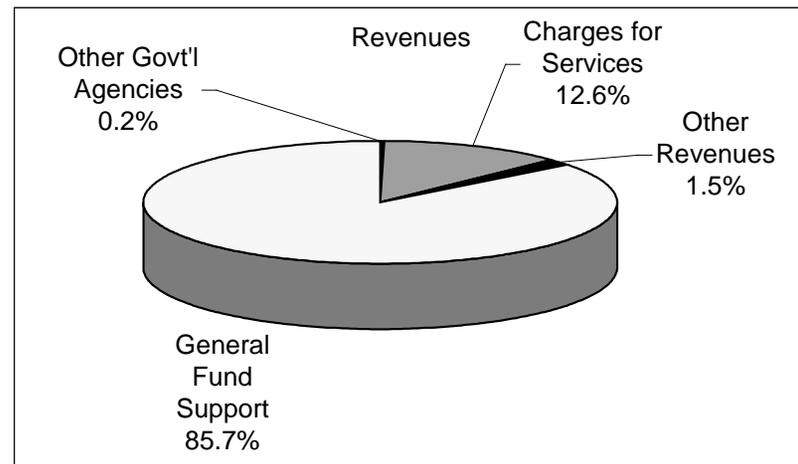
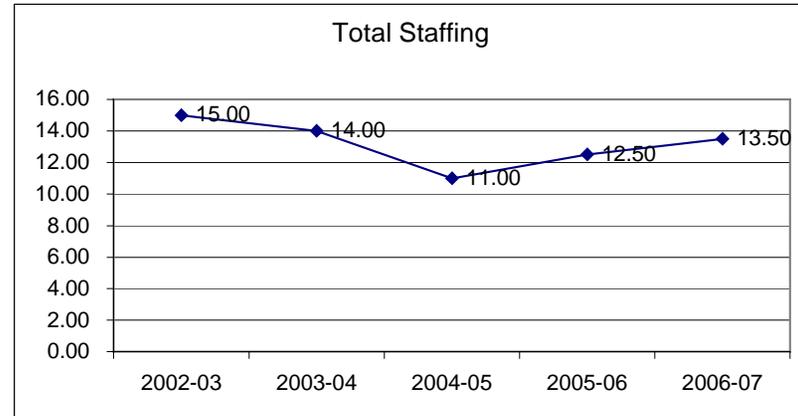
1100 - General Fund	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Request	2006-07 Adopted	Increase/ (Decrease)
Revenues							
Use of Money & Property	\$1,951	\$0	\$0	\$0	\$0	\$0	\$0
Other Govt'l Agencies	0	0	0	29,378	0	2,500	(26,878)
Charges for Services	42,507	40,766	41,051	75,046	132,700	132,700	57,654
Other Revenues	3,188	7,128	5,730	501	16,000	16,000	15,499
General Fund Support	876,629	803,497	702,814	803,616	896,884	902,984	99,368
Total Revenues	\$924,275	\$851,391	\$749,595	\$908,541	\$1,045,584	\$1,054,184	\$145,643
Expenditures							
Salaries & Benefits	\$827,447	\$765,076	\$634,060	\$738,835	\$880,594	\$880,594	\$141,759
Supplies & Services	50,324	50,549	79,634	125,579	106,870	106,870	(18,709)
Other Charges	46,504	35,766	35,901	34,792	58,120	58,120	23,328
Fixed Assets	0	0	0	9,334	0	8,600	(734)
Total Expenditures	\$924,275	\$851,391	\$749,595	\$908,541	\$1,045,584	\$1,054,184	\$145,643
<hr/>							
Allocated Positions	15.00	14.00	11.00	12.50	13.50	13.50	1.00
Temporary (FTE)	N/A	N/A	0.00	0.00	0.00	0.00	0.00
Total Staffing	15.00	14.00	11.00	12.50	13.50	13.50	1.00

Purpose

The authority for existence of the Auditor-Controller's office is California Government Code section 24000. The Auditor-Controller is the chief financial officer for the County of Humboldt. His duties include, but are not limited to, processing all claims for payment for the County, numerous special districts and trust funds and nearly 1,000 total funds, including school districts; recording all revenue received by their agencies and funds under its authority; processing payroll checks and related reports for County employees; updating and making changes to the property tax rolls; budgeting for and balancing the County's accounting records; and filing numerous financial reports on behalf of the County.

Mission

To complete the duties of the Auditor-Controller by the most efficient and expedient means possible.



Major Budget Changes

Salaries & Employee Benefits

- \$129,999 General salary and benefits increases.
- \$41,222 Addition of one Senior Accountant-Auditor position for nine months.

Services & Supplies

- \$24,000 Increase in outside auditor costs.

Fixed Assets

- \$6,000 Four computers
- \$2,600 Two printers

Revenues

- \$7,455 Increase in property tax administration fee revenue.
- \$2,500 Restoration of SB90 cost reimbursements.
- \$49,867 Increase in A-87 cost reimbursement revenue.
- \$11,000 New tax assessment fees.

Program Discussion

The adopted FY 2006-07 budget for the Auditor-Controller’s Office totals \$1,054,184. The County General Fund contributes \$902,984, or 85.7%, of that amount.

The budget includes a total of \$41,222 to add one Senior Accountant-Auditor position. This would enable the Auditor-Controller’s Office to perform audits for special districts, to perform monthly in-depth reviews of trust funds for accuracy and balance, and provide more flexibility to redistribute workloads and cross-train staff. Approximately two-thirds of the cost of the position is expected to be mitigated by A-87 cost reimbursements.

The County has agreements with local fire protection agencies to pay fire assessments on County-owned property within those districts. Over the next year, the Auditor-Controller’s Office plans to shift from writing checks for these assessments to paying directly by journal entry, thus saving the time spent on postage and staff hours spent on handling bills and reconciling payments.

2005-06 Accomplishments

1. Made significant progress in updating the fixed asset inventory for Humboldt County.

- 2. Implemented 'Positive Pay', a program which virtually eliminates the possibility of fraud problems in the County's bank accounts.
- 3. Started a three-year process to replace old computer equipment.
- 4. Made significant strides in bringing projects to current levels and reducing backlogged work as a result of receiving additional staffing in FY 2005-06.
- 2. To become current on all projects.
- 3. To continue to meet required timelines in completing all duties.
- 4. To continue to cross-train employees for increased efficiency.
- 5. To get the new IFASi system up and running.
- 6. To continue to look for ways to make the payroll process more efficient.

2006-07 Objectives

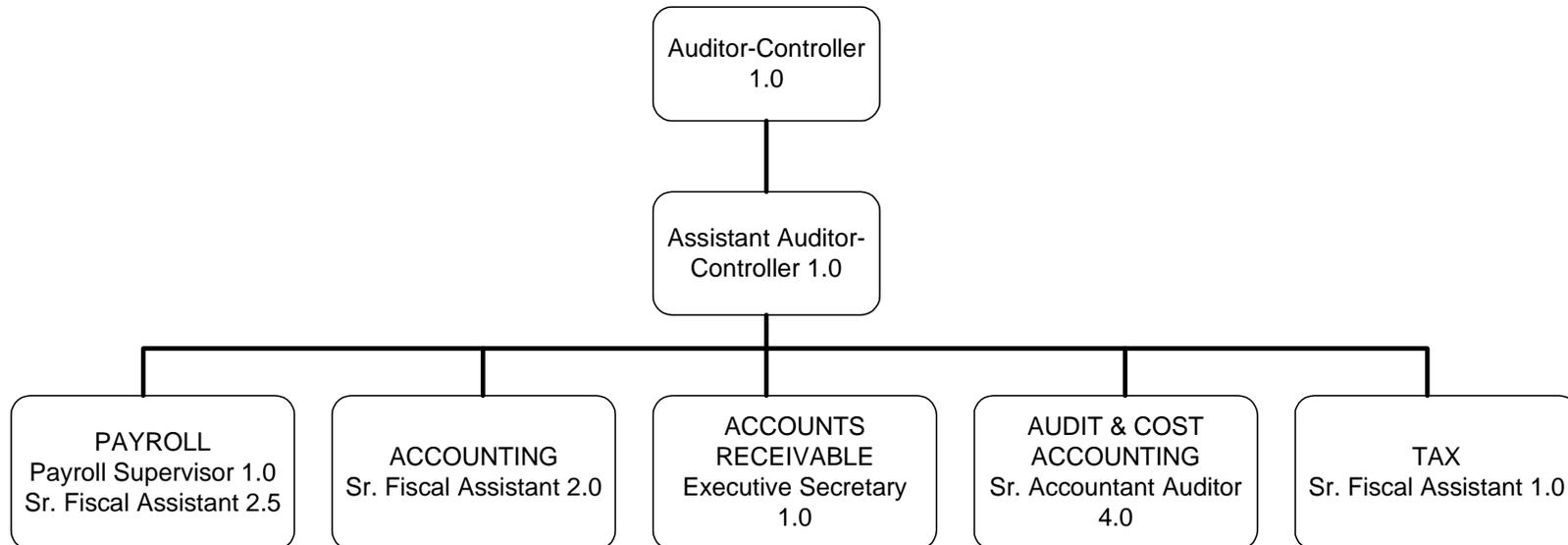
- 1. To complete the fixed asset program information.

Performance Measures

1. <i>Description of Performance Measure:</i> Receipts processed		
<i>FY 2004-05 Actual</i>	<i>FY 2005-06 Estimate</i>	<i>FY 2006-07 Projected</i>
5,591	5,600	5,700
<i>Describe why this measure is important and/or what it tells us about the performance of this budget unit: All performance measures are as required and not subject to discretion.</i>		
2. <i>Description of Performance Measure:</i> Journals processed		
<i>FY 2004-05 Actual</i>	<i>FY 2005-06 Estimate</i>	<i>FY 2006-07 Projected</i>
2,789	2,900	3,000
<i>Describe why this measure is important and/or what it tells us about the performance of this budget unit: See above statement.</i>		

3. Description of Performance Measure: Accounts payable checks		
<i>FY 2004-05 Actual</i>	<i>FY 2005-06 Estimate</i>	<i>FY 2006-07 Projected</i>
28,000	31,000	32,000
<i>Describe why this measure is important and/or what it tells us about the performance of this budget unit: See above statement.</i>		
4. Description of Performance Measure: Payroll checks/direct deposits		
<i>FY 2004-05 Actual</i>	<i>FY 2005-06 Estimate</i>	<i>FY 2006-07 Projected</i>
44,000	47,000	50,000
<i>Describe why this measure is important and/or what it tells us about the performance of this budget unit: See above statement.</i>		

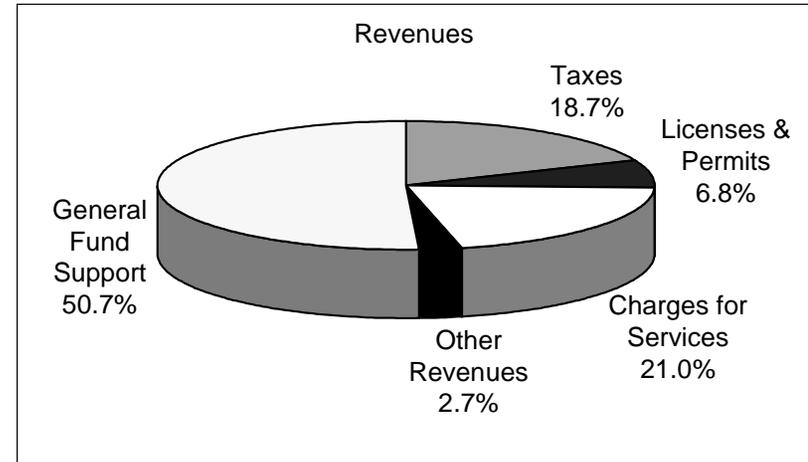
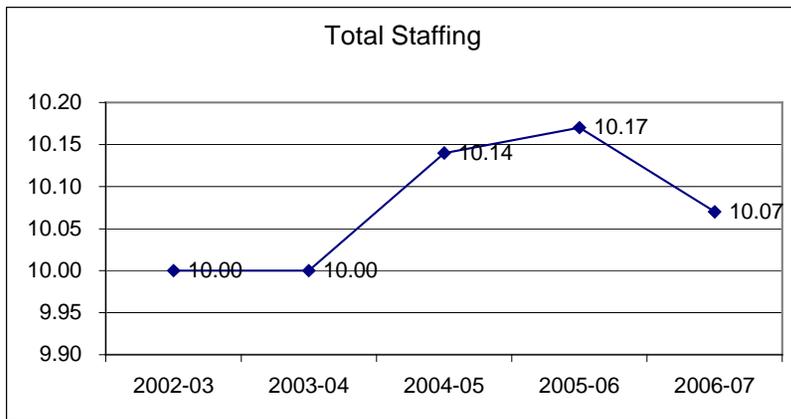
Organizational Chart:



1100 - General Fund	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Request	2006-07 Adopted	Increase/ (Decrease)
Revenues							
Taxes	\$81,176	\$106,418	\$100,218	\$128,394	\$150,700	\$150,700	\$22,306
Licenses & Permits	41,802	47,489	48,379	51,664	54,500	54,500	2,837
Other Gov't'l Agencies	165,929	188,795	156,637	0	0	0	(134,991)
Charges for Services	30,428	33,994	46,181	134,991	168,931	168,931	125,723
Other Revenues	30,428	33,994	46,181	43,208	22,000	22,000	(21,208)
General Fund Support	273,633	234,546	231,860	334,473	408,089	408,089	73,616
Total Revenues	\$623,395	\$645,235	\$629,456	\$692,730	\$804,220	\$804,220	\$68,282
Expenditures							
Salaries & Benefits	\$450,689	\$470,424	\$474,657	\$508,814	\$572,283	\$572,283	\$63,469
Supplies & Services	113,468	114,527	95,849	109,703	127,091	127,091	17,388
Other Charges	57,420	60,285	58,950	63,445	104,846	104,846	41,401
Fixed Assets	1,818	0	0	10,768	0	0	(10,768)
Total Expenditures	\$623,395	\$645,235	\$629,456	\$692,730	\$804,220	\$804,220	\$111,490
<hr/>							
Allocated Positions	10.00	10.00	9.00	9.00	9.00	9.00	0.00
Temporary (FTE)	N/A	N/A	1.14	1.17	1.07	1.07	(0.10)
Total Staffing	10.00	10.00	10.14	10.17	10.07	10.07	(0.10)

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.



- (\$4,350) Decrease in extra-help expense.

Services & Supplies

- (\$9,400) Decrease in publications and title search fees due to fewer parcels being sold at auction.
- \$4,250 Increase in out-of-county transportation expenses.

Revenues

- \$16,300 Increase in cost recovery revenue from notice fees.

Major Budget Changes

Salaries & Employee Benefits

- \$55,787 General salary and benefits increases.

- (\$29,400) Decrease in tax collection fees subject to sale and title search fee revenue based on historical experience.
- (\$15,100) Decrease in miscellaneous Treasurer/Tax Collector fee revenue.

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, 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 into 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 15.5% of every property tax dollar collected. Of the remaining 84.5%, the State receives 65.5% for education, leaving all other local government entities combined receiving 19%.

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 Treasurer-Tax Collector's Department faces an interesting dilemma in its work. Departmental revenue often is a result of late tax payments which incur late fees being paid. Departmental revenue is an important factor in determining the levels of financial support a department budget receives. Thus, as tax payments become more timely, the department's revenue could decrease, potentially reducing the allocation of County budget resources to the Treasurer-Tax Collector's Office. The department will continue to work toward timely tax payments, while aware of this unique situation. An example of this is found in the reduction in delinquent property tax sales, and the resulting lower expenditures and revenue from this source.

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.

Goals

1. To increase public access to records.
2. To expand the use of the website to additional services.
3. To reduce payment processing time.

2005-06 Accomplishments

1. Provided title companies with internet access to property tax information. This reduced staff time, allowing staff to work on other areas. This also reduced department revenue while lowering title company costs.
2. Introduced a system to notify people who had not paid the first installment of property taxes.
3. Completed the financing of a building for the County Health and Human Services, Public Health Branch.
4. Continued efforts to consolidate the storage of supplies and records within the courthouse for more efficient

review and retrieval. The new area is also safe from the elements of the weather.

5. Upgraded the computer equipment in the property tax division to better utilize the integrated property tax computer system.
6. Began the initial phase of replacing the DOS-based Treasury Management System.

2006-07 Objectives

1. To install a direct payment receipting system to increase the speed of depositing checks.
2. To provide internet access to property tax information.
3. To explore debit/credit card tax collection methods at no cost to the County.
4. To complete the installation of a new computerized Treasury Management System.
5. To study the possibility of purchasing business license software.

Performance Measures

1. <i>Description of Performance Measure:</i> Customer usage of web site for information		
<i>FY 2004-05 Actual</i>	<i>FY 2005-06 Estimate</i>	<i>FY 2006-07 Projected</i>
n/a	4,500	6,000
<i>Describe why this measure is important and/or what it tells us about the performance of this budget unit:</i> This reduces staff time on telephones and correspondence.		
2. <i>Description of Performance Measure:</i> Secured property tax collection percentage		
<i>FY 2004-05 Actual</i>	<i>FY 2005-06 Estimate</i>	<i>FY 2006-07 Projected</i>
97.0%	97.7%	97.5%
<i>Describe why this measure is important and/or what it tells us about the performance of this budget unit:</i> It measures the effectiveness in collections (excluding economic factors).		

Organizational Chart:

