

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Clerk Recorder

BOARD AGENDA # *B-5

Urgent Routine

AGENDA DATE January 19, 2010

CEO Concur with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Set a Public Hearing on February 2, 2010 at 9:15 A.M. to Consider Introduction and Waive the First Reading of an Ordinance to Increase the Clerk Recorder Base Recording Fee from \$4.00 to \$10.00 Per First Page

STAFF RECOMMENDATIONS:

Set a Public Hearing on February 2, 2010 at 9:15 A.M. to consider introduction and waive the first reading of an ordinance to increase the Clerk Recorder base recording fee from \$4.00 to \$10.00 per first page.

FISCAL IMPACT:

It is necessary to increase existing fees in order to offset the costs to the Clerk Recorder for providing certain services. This increase in fee will allow for the recovery of costs associated with providing specific services. These costs include annual salaries, indirect costs, facility and utility costs. It is estimated that the revenue from this fee increase will be approximately \$60,000 monthly for the Clerk Recorder based on the current number of filings received. It is anticipated the revenues to the Clerk Recorder could

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BOARD ACTION AS FOLLOWS:

No. 2010-037

On motion of Supervisor Chiesa, Seconded by Supervisor DeMartini and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Grover

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No. ORD-55-L-4

Approval to Introduce and Waive the First Reading of an Ordinance to Increase Existing Fees for the Clerk Recorder Services

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FISCAL IMPACT: (Continued)

potentially increase by approximately \$180,000 for Fiscal Year 2009-2010. Currently the Clerk Recorder receives approximately \$40,000 monthly from the base fee for the recording of the first page of a document. If approved the increase in fee will be effective 30 days after adoption of the ordinance.

DISCUSSION:

On October 11, 2009 California Governor Schwarzenegger signed Senate Bill 676 which authorized increases in a variety of fees charged by local governments. One provision of this bill resulted in a significant change to Government Code Section 27361 (a). This section of the code specifies the fee that can be charged for the recording and indexing of the first page of every instrument, paper or notice required or permitted by law to be recorded in the County Clerk Recorder Department. Prior to the passage of this recent bill, the base fee for recording the first page of a document was \$4.00. This fee was established in 1985 and has remained unchanged for the past 25 years.

Government Code 27361 (a) now authorizes the base fee not to exceed \$10.00 for recording and indexing the first page "to reimburse the county for the costs of services rendered..." The County Recorder's Association of California has interpreted this to mean that a fee study to determine the actual first page cost incurred by a county to perform the recording process should be performed. The Stanislaus County Clerk Recorder Department conducted a fee study to determine the actual cost incurred by the County to perform recording and indexing, which is attached as Attachment "A". The actual cost of recording and indexing the first page of a document in Stanislaus County has been determined to be \$13.31. Therefore, the Clerk Recorder's Department has prepared this proposal for fee increase. This proposal has been shared with the public through discussions with title companies and customers. Input obtained through this review process was considered during the study and is reflected in this proposal.

The following chart is based upon the of eight comparison counties. Each county was contacted and information gathered regarding new fee, date of time study, and effective date of the new fee.

Approval to Introduce and Waive the First Reading of an Ordinance to Increase Existing Fees for the Clerk Recorder Services

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County Comparison Chart

Comparison County	Prior Fee	Review Date For New Base Recording Fee	Effective Date For New Base Recording Fee	New Fee
Fresno	\$4.00	July 2010	In process	To be determined
Kern	\$4.00	In process	In process	To be determined
Monterey	\$4.00	Nov – Dec 2009	January 2010	\$10.00
Sacramento	\$4.00	Nov – Dec 2009	January 2010	\$10.00
San Joaquin	\$4.00	Nov – Dec 2009	January 2010	\$9.00
Solano	\$4.00	In process	In process	To be determined
Sonoma	\$4.00	Nov – Dec 2009	In process	To be determined
Ventura	\$4.00	Nov – Dec 2009	February 2010	\$10.00

Based upon the Stanislaus County fee study and the county comparison study the Clerk Recorder is recommending an increase of the fee for recording the first page of a document from \$4 to \$10.

POLICY ISSUES:

An ordinance of the Board of Supervisors is required to increase or establish fees of the Clerk Recorder Department. This item meets the legal requirements for setting a public hearing to consider establishing new fees of the Department and the Board of Supervisor's priority of Efficient delivery of public services.

STAFFING IMPACT:

The collection of the fee will not result in an increase in workload for the Clerk Recorder staff.

SERVICE AND FEE SURVEY

Analysis of County Recorder staff costs: Calculation of productive hours

“Productive Hours” are those hours that a worker is considered to actually be “on the job” in the work place. Employees do not work non-stop for eight hours a day, five days a week, 52 weeks a year. The law allows for employees to have holidays, vacation time, sick leave off work and daily break time. Productive hours are used for the calculations in this report, taking into account vacation time, sick leave, legal holidays and daily break time.

Cumulative totals of average vacation taken by the County Clerk Recorder using 2008-2009 most recently available fiscal year totals are calculated as being 123 hours per year plus legal holidays which are calculated at 84 hours per year. The estimated average amount of time that employees take for sick leave is calculated at 90 hours per year. Two 15 minute breaks per day of work is calculated at 113 hours per year.

On the basis of these averages, an employee is away from his/her work 410 hours each year. The maximum potential of 2,080 full time working hours is equivalent to 1,670 actual productive hours per person per year.

The calculation for determining productive hours in the Stanislaus County Clerk Recorder Department is:

Maximum Possible Working Hours Per Year (40 Hours Per Week)		2080
Less: Vacation Time	123	
Sick Leave	90	
Legal Holidays	84	
Break Time for 46 Weeks at Work	113	
Sub – Total	410	
Total Productive Hours		1670

County Indirect and Overhead Costs

The costs to be considered for the Stanislaus County Clerk Recorder service should include the County’s overhead costs, which are calculated on an annual basis by the Stanislaus County Auditor Controller. The process includes the annual A87 “cost allocation plan”. The Auditor Controller has calculated an overhead and indirect cost to be allowed as a percentage of the direct wages and benefit costs. For the 2009-2010 Fiscal Year, the Auditor Controller has identified a seventeen percentage (17%) factor of the staff salary costs.

The following table includes the calculations that were used to determine the average salary cost per productive hour including benefits and the County indirect and overhead costs in the Stanislaus County Clerk Recorder Department for Fiscal Year 2009-2010:

Chart of Salaries

Salary Cost	Average Cost	Productive Hours	Productive Hourly Rate
Recorder Staff Salary Cost	\$69,987	1670	\$41.91
Management and Supervision Salary Costs	\$78,924	1670	\$47.26
Support Staff Salary Costs	\$42,939	1670	\$25.71
Salary Cost per Productive Hour			\$114.88 per hour or \$1.91 per minute

The following table reflects the average length of time in minutes that it takes to complete the recording of the first page of each specific type of document. Using the Average Salary Cost per Productive Hour a total cost is calculated. The average filing per recording method is used to determine the average cost to record the first page of a document.

Chart of Time Study Tables

Recording Method	Total Minutes	Cost per Minute	Total Cost	Average Percent of Documents	Weighted Cost
Over the Counter Document	10.36	\$1.91	\$19.79	5%	\$.99
Mail Recording Document	12.42	\$1.91	\$23.72	23.5%	\$5.57
Title Company Recording Document	4.58	\$1.91	\$8.75	48%	\$4.20
Cash Recording Document	5.69	\$1.91	\$10.87	23.5%	\$2.55
Total					\$13.31

ORDINANCE NO. C.S. _____

AN ORDINANCE ADOPTING CLERK RECORDER FEE SCHEDULE

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA, ORDAINS AS FOLLOWS:

Section 1. The Board of Supervisors hereby adopts the Clerk Recorder Department Schedule for fee increase, attached as Exhibit A and incorporated by reference, a copy of which is on file with the Clerk of the Board of Supervisors and is available for public inspection and copying in that office in accordance with the California Public Records Act.

Section 2. Pursuant to Government Code 25123 this ordinance shall take effect thirty (30) days from and after the date of its passage and before the expiration of fifteen (15) days after its passage it shall be published once, with the names of the members voting for and against the same, in the Modesto Bee, a newspaper published in the County of Stanislaus, State of California.

Upon motion of Supervisor _____, seconded by Supervisor _____, the foregoing resolution was passed and adopted at a regular meeting of the board of Supervisors of the County of Stanislaus, State of California, and the _____ day of _____ 2010, by the following called vote.

AYES: Supervisors:

NOES: Supervisors:

ABSENT: Supervisors:

Jeff Grover, Chairman of the Board of Supervisors of the County of Stanislaus, State of California

ATTEST:

CHRISTINE FERRARO TALLMAN
CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA

By _____
Deputy

APPROVED AS TO FORM:
JOHN DOERING
COUNTY COUNSEL

By Dean Wright
DEAN WRIGHT
DEPUTY COUNTY COUNSEL

Clerk Recorder Fee Recommendations – 2010

Recommendation for adjustment of the base recording and indexing fee of the Stanislaus County Clerk Recorder by the Stanislaus County Board of Supervisors is in the following schedule. Such charges for recording and indexing are allowed by Government Code §§27361 and 27361.4 and other state statutes. The proposed fee will more fully reimburse the Clerk Recorder for the costs of services rendered in providing essential services to the general public.

Service and Fee Increase

Service	Old Base Fee	New Base Fee
Recording and indexing of the first page of every instrument, paper or notice required or permitted by law to be recorded in the County Clerk Recorder Department: Recommendation that the County adjust the County portion of the base fee from the current \$4 to \$10 for the first recorded page. Total cost to the public would change the first recorded page from \$8 to \$14 which includes mandatory ancillary fees.	\$4	\$10

NOTICE OF PUBLIC HEARING REGARDING
THE INCREASE OF EXISTING FEES
FOR THE CLERK RECORDER DEPARTMENT

NOTICE IS HEREBY GIVEN that on February 2, 2010, at the hour of 9:15 A.M., or as soon thereafter as the matter may be heard, the Stanislaus County Board of Supervisors will meet in the Basement Chambers, 1010 10th Street, Modesto, California, to consider the Introduction and Waiver of the First Reading of an Ordinance to Increase Existing Fees for the Clerk Recorder Department.

ADDITIONAL NOTICE IS GIVEN that the proposed Ordinance and Fee Schedule will be available for review on January 22, 2010 in the Clerk of the Board Office, 1010 10th Street, Suite 6700, Modesto, CA. For further information, contact Jeremy Howell in the Clerk Recorder Department (209-525-5211) or at 1010 Tenth Street, Suite 3500, Modesto, CA.

NOTICE IS FURTHER GIVEN that at the above time and place, interested persons will be given the opportunity to be heard. Material submitted to the Board for consideration (i.e. photos, petitions, etc.) will be retained by the County. If a challenge to the above application is made in court, persons may be limited to raising only those issues they or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Board of Supervisors.

BY ORDER OF THE BOARD OF SUPERVISORS

DATED: January 19, 2010

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk of
the Board of Supervisors
of the County of Stanislaus,
State of California.

BY:


Elizabeth A. King, Assistant Clerk

**DECLARATION OF PUBLICATION
(C.C.P. S2015.5)**

**COUNTY OF STANISLAUS
STATE OF CALIFORNIA**

I am a citizen of the United States and a resident Of the County aforesaid; I am over the age of Eighteen years, and not a party to or interested In the above entitle matter. I am a printer and Principal clerk of the publisher of **THE MODESTO BEE**, printed in the City of **MODESTO**, County of **STANISLAUS**, State of California, daily, for which said newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of **STANISLAUS**, State of California, Under the date of **February 25, 1951, Action No. 46453**; that the notice of which the annexed is a printed copy, has been published in each issue there of on the following dates, to wit:

Jan 22, 2010, Jan 28, 2010

I certify (or declare) under penalty of perjury That the foregoing is true and correct and that This declaration was executed at

MODESTO, California on

January 28th, 2010

(Signature)

Marie Hickman

**NOTICE OF PUBLIC HEARING
REGARDING INCREASE OF
EXISTING FEES FOR THE
CLERK RECORDER
DEPARTMENT**

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Pub Dates Jan 22, 28, 2010