



BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: 2/16/16

Title: Recorder's Office Fee Ordinance

Introduction/Background:

The Pima County Recorder's Office is authorized, pursuant to A.R.S. 16-172, 16-168(E), 11-475 and 11-251(08) to charge fees for services provided to the public and local jurisdictions for election related services, voter registration data and services related to recorded documents. The fees for services were last approved by the Board of Supervisors in 2011. Since that time there have been a number of changes in state law and the operations of the Recorder's Office that require changes to the fees in order to reach full cost recovery. The Recorder's Office proposes changes to a number of the fees previously approved by the Board and some additional fees for new services.

Discussion:

Since the adoption of the last fee ordinance in 2011 there have been a number of changes to the processes of the Recorder's Office, state law, postage rates and employee costs that require changes to the fee structure in order for the Recorder's Office to recover costs expended in providing services to the public and to local jurisdictions. At the time of the prior fee ordinance, state law allowed non-charter cities and towns to conduct stand alone elections for common council and mayor. Changes to Title 16 that went into effect in 2014 now require elections for non-charter cities and towns to be held on the same dates as the state primary and general elections. The prior fee ordinance specified separate fees for ballot assembly for elections with less than 50,000 ballots and those with more than 50,000. This was to recognize the difference between costs when the Recorder's Office assembled the ballots compared to the use of our outside vendor. Since these smaller elections will no longer occur on a regular basis, the Recorder's Office no longer provides in-house assembly services. All early ballot assembly for the local jurisdictions will now be conducted by our vendor. The Recorder's Office expends significant resources during elections in contacting early voters when there are issues with their early ballots. This has been an optional service. However, we have been notified that the Secretary of State will mandate each county to conduct efforts to contact voters concerning early ballot issues prior to disqualifying ballots. Those efforts include letters, phone calls and email attempts. We have therefore added a new fee of \$6.00 per problem ballot to recover the costs for those efforts. The consolidation of precincts has resulted in changes to the poll roster and register printing. While there are fewer rosters and registers, each roster and register is now significantly larger in size resulting in increased printing and quality control costs. The Pima County Recorder's Office expends a significant effort in keeping the county voter registration database updated and as current as possible. Under the National Voter Registration Act the county is required to send update notices by mail to voters. The Recorder's Office tests each voter's address a minimum of two times per year. Several thousand address update letters are sent each month. Keeping the voter registration database updated reduces election costs to other departments and jurisdictions since it reduces the number of sample ballots and undeliverable ballots to be sent to voters who have moved between elections. The prior fee ordinance allowed recovery of a portion of those costs from local jurisdictions by imposing a voter registration list maintenance fee on elections. Since the municipalities other than the City of Tucson must now conduct their elections at the same time as the state primary and general elections, the Recorder's Office is proposing an increase in the consolidated election fee to recover the contributions lost by the significant reduction in the separate jurisdictional elections. The consolidated election fee also recovers the additional computer programming, notices to voters, inventory control measures and other new tasks that are required by adding the non-partisan city and town elections to the partisan state primary

election ballots. The consolidation of the city and town election requires the mailing of different notice forms to non-recognized party voters (independent group voters) on the Permanent Early Voting List to allow them the choice to request a separate non-partisan city/town ballot rather than the partisan ballot available to votes residing in unincorporated areas. Other voter registration and election related fee increases are directly rated to postal fee increases and employee compensation changes.

The Recording Division has modified a number of services provided to the public. With the old computer system customers seeking access to recorded document images and indexing information online were required to maintain multiple accounts with our office. The new system allows consolidation of services to require customers to have only one single account. The cost of providing that service has increased slightly due to computer licensing and programming changes. The Recorder's Office is proposing a 1.5 cent increase in the fee per image viewed by online customers in order to recover those costs. A handful of title companies and title plants purchase all document images and indexing created by the Recorder's Office on a daily basis for newly recorded documents. The fee for those images and indexing has not changed for more than 15 years even though the cost of providing the service has increased during that time period. With the new system in place it is clear that the Recorder's Office is not recovering the costs expended in the service at the current fee rate. The Recorder's Office is therefore proposing a 1 cent increase per image and a 1 cent image per index line. Previously the Recorder's Office did not provide cross-indexing information to the bulk purchase customer. Cross-reference information is a separate index category listing the recording information for any other recorded instrument identified in a new recorded document. The proposed fee for the bulk purchase of the cross-reference information is 3 cents per index. Our previous system allowed only the bulk purchase of all document images and indexing. The new system allows the purchase of selected types of documents (i.e. deeds only, deeds of trust only, etc). The proposed fee for this new service is 7 cents per image of selected document types, indexing types and cross-reference types in order to recover the costs of additional account creation and monitoring for this new service. Previously the Recorder's Office allowed the bulk purchase images of Affidavits of Value that are submitted with deeds. The fee charged for those purchases was a flat monthly rate. Our review determined that the flat rate system did not recover the full costs incurred by our office in providing the services. The updated customer web service will allow customers to obtain the affidavit of value images the same as any other document image or through the new selected document bulk purchase. We are therefore eliminating the Affidavit of Value flat rate option to customers and the fee for that service in the fee ordinance. We have also received inquiries from customers wanting to make bulk purchases of previously recorded documents and indexing. this is a new service we plan on providing to customers. We propose a fee of 5 cents per image and 4 cents per index line or cross-reference for purchases of all recorded images and indexing. A fee of 8 cents per image, indexing line and cross-reference for bulk purchase of selected previously recorded documents is also proposed for that new option.

Conclusion:

The Recorder's Office is proposing modification to the existing fee ordinance adopted in 2011 to accurately reflect cost recovery for new services, costs increases incurred in performing service and resulting in changes of services required by changes to state law. The proposed fee increases are modest and designed to result in cost recovery and not extra revenue.

Recommendation:

The Recorder's Office recommends that the Board adopt the new fee schedule for Recorder's Office services.

Fiscal Impact:

The fee changes are designed for full cost recovery. While there may be a small increase in revenue the changes are designed to recover costs expended and therefore should result in no net change.

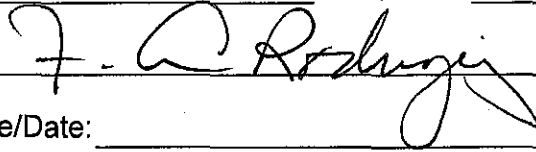
Board of Supervisor District:

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☒ All

Department: Recorder

Telephone: 520-724-4356

Department Director Signature/Date:



Deputy County Administrator Signature/Date:

County Administrator Signature/Date:

ORDINANCE NO. 2016-_____

AN ORDINANCE OF THE BOARD OF SUPERVISORS OF
PIMA COUNTY, ARIZONA ESTABLISHING FEES FOR
ELECTION-RELATED SERVICES, VOTER
REGISTRATION DATA AND RECORDED DOCUMENT
SERVICES PROVIDED BY THE PIMA COUNTY
RECORDER.

The Board of Supervisors of Pima County Arizona finds that:

1. The Pima County Recorder is authorized pursuant to A.R.S. §§16-172, 16-168(E), 11-475, and 11-251.08 to charge for election related services, voter registration data, and recorded document services; and,
2. The Pima County Board of Supervisors has determined that the charges are appropriate and necessary to cover the costs incurred by the Pima County Recorder in providing these services; and,
3. The Pima County Board of Supervisors has the authority under A.R.S. §11-251.05 to adopt all ordinances necessary or proper to carry out the functions of the County.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF SUPERVISORS OF
PIMA COUNTY, ARIZONA:

SECTION 1: It is the intent of this Ordinance to establish fees for election-related services, voter registration data, and recorded document services provided by the Pima County Recorder in an amount sufficient to defray costs.

SECTION 2: Fees charged by the Pima County Recorder shall be as follows:

SEE EXHIBIT A ATTACHMENT

SECTION 3: This Ordinance shall take effect thirty days from the date of adoption.

SECTION 4: If any provision of this Ordinance or the application thereof to any person or circumstance is invalid, the invalidity shall not affect other provisions or applications of this Ordinance, which can be given meaning without the invalid provision.

PASSED AND ADOPTED THIS _____ DAY OF _____, 2016.

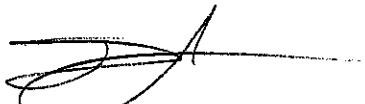
PIMA COUNTY BOARD OF SUPERVISORS

Chair, Board of Supervisors

ATTEST:

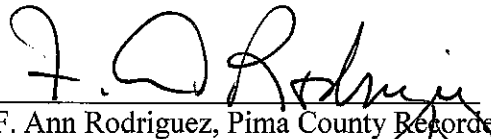
APPROVED AS TO FORM:

Robin Brigode, Clerk of the Board



Daniel Jurkowitz, Deputy County Attorney

REVIEWED BY:



F. Ann Rodriguez, Pima County Recorder