

**OFFICE OF THE
JEFFERSON COUNTY CLERK
2021 BUDGET**



Bonnie Holclaw
JEFFERSON COUNTY CLERK

DECEMBER 31, 2020

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OFFICE OF THE JEFFERSON COUNTY CLERK OVERVIEW

The Office of the Jefferson County Clerk was created by the Kentucky Constitution to be the repository and delivery agent for public documents and information within Jefferson County. As the information services agency for the citizens of Jefferson County, the Clerk's Office has approximately three hundred employees who use over three hundred computers. The Office of the Jefferson County Clerk is vital in performing services that benefit all citizens of the Commonwealth.

The duties of the County Clerk are numerous and varied, falling into the general categories of issuing, registering and titling motor vehicles, recording and keeping records of various legal instruments, voter registration and purgation, election duties, and tax duties.

The Office of the Jefferson County Clerk receives fees for performing various duties as set by state law. Twenty-five percent (25%) of most fees are turned over to Metro Government and the remaining seventy-five (75%) of the fees are used to operate the office.

The Motor Vehicle Division of the office of the Jefferson County Clerk is involved with all aspects, rules and regulations of the Kentucky Motor Vehicle Licensing laws. As stated in KRS 134.800, the County Clerk collects all ad valorem taxes due upon registration of a vehicle. In addition, KRS 138.460(2) states the County Clerk will collect all usage tax due on a vehicle when it is registered for the first time in Kentucky. The County Clerk is the collection agent for the state.

The County Clerk issues a registration and plate to all motor vehicle owners per KRS 186.040. The motor vehicle owners must reside in the county in which they are registering their vehicle according to KRS 186.020 (1). Jefferson County has over 775,000 residents, the Jefferson County Clerk registered or renewed approximately 745,000 vehicles in 2020 and estimates indicate approximately the same for 2021. The Clerk's Office also replaces decals, plates and registrations in accordance with KRS 186.021.

The Office of the Jefferson County Clerk works closely with over 300 auto dealerships in Jefferson County and approximately 3,300 dealerships throughout the State of Kentucky and across state lines. The Office licenses all new vehicles and transfers used vehicles for the dealers. The Office of the Jefferson County Clerk also issues dealer tags to all dealers in accordance with KRS 186.070. KRS 138.465 involves the transfer of vehicles between individuals.

The Office of the Jefferson County Clerk processed the necessary paperwork to transfer approximately 500,000 cars in 2020 and estimates indicate approximately the same for 2021.

Another duty of the County Clerk is to issue Disabled Persons Parking Permits in accordance with KRS 189.456, which deals with Permanent Permits and KRS 189.458, which deals with Temporary Permits. Effective in 2019, the Permanent Permits are valid for six years, while the Temporary Permits are valid for three months. Approximately 75,000 permanent and

temporary permits were issued in 2020 and estimates indicate approximately 80,000 in 2021. The clerk's office issues one free to requestors who qualify and collects \$10 for each additional permit.

In 2020, approximately 71,000 liens were filed on titled collateral (KRS 186). This number is estimated to have a small increase for 2021.

The Legal Records Division of the Office of the Jefferson County Clerk is the official repository of Jefferson County as defined in KRS 382. It is responsible for the legal documents, which are recorded and filed as public record. Documents are maintained from 1783 to the present. There are four services within the Legal Records Division. They are Recording, Indexing, Deed Room Customer Service and Duplication Services.

In 2020, approximately 220,000 legal documents, such as deeds, mortgages, assignments, powers of attorney, incorporations, etc. were lodged for recording and indexing. For 2021, this number is estimated to increase approximately 10% over 2020 estimated actual.

The Duplication Services area makes copies of all recorded documents to be inserted into the books that are displayed in the Deed Room area for public viewing. Additionally, this department makes copies of various materials for all other departments in the Clerk's Office and makes repairs and new covers for existing books. In 2020, approximately 1.5 million copies were produced. For 2021 this number is expected to increase by approximately 10%.

The County Clerk is also required to coordinate property assessment appeals with the Property Valuation Administrator's Office per KRS 133. The Clerk is responsible for scheduling tax appeal hearings with the boards and notifying the taxpayer of the results by certified mail. Necessary reports are generated. Due to Covid-19 only 64 tax appeal hearings were held in 2020. Down from 748 hearings in 2019. The number of tax appeal hearings is expected to increase to approximately 1,200 for 2021.

The Election Center provides for the administration of all Kentucky laws relative to voter registration and elections in Jefferson County. The departmental duties and responsibilities are mandated by state law and include: oversight of all registration activities, maintaining all records of voter registration, selection and training of election officers, acquisition and inspection of polling sites, accepting candidates' filing papers, preparation of ballots, advertisement of elections, handling all elections including federal, state, local and local option elections, maintenance and delivery of voting machines and paraphernalia, and comprehensive mapping of all precincts and political subdivisions.

As the primary information-gathering agency of Jefferson County, the County Clerk's Office continues to employ the latest proven technologies and processes to provide the most efficient delivery of services to the citizens of the county. The Information Technology Division of the Office of the Jefferson County Clerk is responsible for the overall strategic direction and contribution of the information systems function. Information Technology provides services to all employees and operating areas of the Clerk's Office, whether in a branch office, Legal Records, Motor Vehicles, Human Resources, Administration, Finance, Facilities, Community

Relations, Public Relations or the Board of Elections. The Information Technology Division of the Office of the Jefferson County Clerk is comprised of three departments: Information Technology Administration, Application and Operations Support and Network and iSeries Support.

Information Technology Administration provides management oversight of the Information Technology Division and its personnel, assets and activities. Strategic planning, process engineering, technology purchasing, and project management are all part of Information Technology Administration's responsibilities.

The Application and Operations Support Department provides ongoing support to in-house and remote users. Through a Help Desk facility and a staff of trained technicians, Application and Operations Support assists end-users with the resolution of computer problems to ensure the continuous delivery of services to County Clerk's Office customers. Calls are tracked and analyzed to ensure timely and accurate problem resolution. In addition, the Application and Operations Support Department coordinates resources, schedules and communications for the implementation of computer application projects.

The Network and iSeries Support Department maintains the network environment, data communications and telephone network infrastructures of the Clerk's Office. Network and iSeries Support is also responsible for the integrity of database information, internal system security and disaster recovery. Additionally, this department oversees research, evaluation and integration of new technologies for the Office of the Jefferson County Clerk.

In calendar year 2021, the Information Technology Division will undertake a variety of capital projects. The primary focus of those projects will be software migration of almost three hundred (300) desktop computers to the Microsoft Windows 10 operating system. Other projects will focus on creating an inventory of spare networking devices in order to ensure continuity of operation. The migration to "Cloud" computing will continue to be a priority for 2021.

The Information Technology Division will continue to assist the Kentucky Transportation Cabinet to complete and deploy its new motor vehicle titling and registration application: the Kentucky Automated Vehicle Information System (KAVIS). A large portion of the Information Technology Division's technical efforts in 2021 will be to prepare for and help implement, the KAVIS car, truck, and motorcycle modules.

The Finance Division is responsible for recording and tracking all income and expenses for the Jefferson County Clerk's Office. Three departments make up the Finance Division: Finance Administration, Facilities Planning & Logistics and Professional Licenses/Delinquent Tax. Finance Administration management provides oversight for the division. In addition, it prepares the annual budgets, tracks expenditures and prepares substantial financial analysis to allow the Executive Administration to make informed decisions. Finance Administration also certifies all property tax billings for Jefferson County, administers all health insurance benefits including open enrollment, payroll deductions and billing reconciliation. The Payroll Administrator tracks all time and attendance, calculates payroll, submits it to Frankfort for processing and then the funds are direct deposited to the employee's bank accounts. The Accounts Payable

Administrator reviews all invoices for validity, prepares the invoices for payment and ensures that payments are made on a timely basis. Finance staff also prepares the monthly financial statements. The Banking Administrator tracks all receipts and disbursements of funds and reconciles the monthly bank statements.

Finance staff is also responsible for calculating and reporting all collected fees to the appropriate agencies. The fees are recorded daily and reported monthly. They are also responsible for any request of refunds related to the collection of these fees. They are responsible for closing the month and issuing all reports.

The Professional License/Delinquent Tax Department processes marriage licenses per KRS 402, notaries, professional licenses (special police, going-out-of-business, etc.) per KRS 312-321 and the delinquent real estate taxes per KRS 134. Approximately 3,099 marriage licenses were issued in 2020. The numbers are lower than projected due to Covid-19. This number is expected to increase for 2021. Approximately 8,000 delinquent real estate taxes were processed in 2020; accounting for approximately \$13,000,000 in taxes collected. The numbers are lower than projected due to Covid-19. For 2021, these numbers are estimated to increase approximately 5%.

The Facilities Department is responsible for the inventory of license plates and office supplies. They ensure that all canceled plates are accounted for in the KAVIS System and then destroyed. They oversee the delivery of mail and supplies to all internal departments and outlying branches. Additionally, they are responsible for coordinating any relocation or renovation of departments or branches, as well as ongoing repair and maintenance for all areas.

The Government and Legal Affairs Executive is responsible for the inter-governmental relations; legal research, legislative analysis and special projects such as grant applications.

The Media and Public Relations Division is responsible for planning and organizing news conferences, media interviews, special events, public service announcements, multi-media purchases and writing and issuing press releases. The Division manages public relations and communication programs for employees of the Clerk's Office and the citizens of Jefferson County. Printed materials produced by the division such as brochures, posters, flyers and signs in branch locations are other vehicles of communication used to reach this goal. The staff creates materials and uses them to educate the community on exercising its civic duty in becoming responsible informed voters. The Media and Public Relations Director serves as the spokesperson for the Jefferson County Clerk's Office and the Board of Elections. The director also coordinates speaking engagements for the County Clerk with various groups and organizations. Examples of specific job responsibilities include the branding of all public viewed materials to include brochures, advertising, website and the annual report. The director oversees the planning of the all employee meetings, quarterly meetings, updates to the web site and some customer correspondence.

The primary function of the Human Resources Division is to ensure compliance of local, state and federal employment laws. This is done through continuous training and education by attending employment law seminars and other related training sources. The HR staff also

provides training and development to the agency on topics such as, harassment, discrimination, and employee engagement, just to name a few. This ensures that JCCO remains compliant with applicable laws and agency policies and procedures. Human Resources is also responsible for recruiting and hiring for all positions within the agency. Proper staffing allows JCCO to provide the VIP service that our customers expect from their public servants. Human Resources ensures a healthy, safe, positive and productive work environment for all employees.

Last year's budget (see attached approval of Resolution No 136, Series 2019) indicated Personnel of \$17,760,700; Operating of \$4,349,100 and Capital initiatives of \$857,800. The 2021 projected budget is estimated at \$22,783,400 which is a decrease of -\$184,200 or -0.80%. The difference is due to a decrease in continuation operating expenses of -\$1,389,400 or -31.95% due to no elections in 2021; increase of \$648,900 or 3.65% in personnel. Funds are budgeted for 2021 to cover the salary increases, the increase in the retirement contribution from 22% to 28% and an increase in insurance premiums, an increase of \$556,300 or 64.85% in new capital initiatives. We estimate to have a surplus in 2020 to cover the capital initiatives. Based on the Legal Records fee increase, the current economic trends and 2020 estimated actual, we have increased the clerk's fee budget continuing revenue projection over 2020 for estimated revenue by 2.75%. This excludes a decrease to the Metro reimbursement expense of -\$1,732,900 or -40.78%. The continuing revenue increase to the budget is due to a variety of factors the most significant one being the Legal Records fee increase due to Senate Bill 114. We anticipate being able to continue to sell delinquent tax bills to third party vendors in 2021.

Last year, our total staff was 322. To meet our 2020 strategic goals, we are requesting to maintain a staff of 322. Personnel cost has increased from \$17,760,700 to \$18,409,600. We are anticipating awarding a COLA for 2020 to ensure adequate staffing to service the citizens of Jefferson County. The vacancy credit is set at 8.0% in an effort to maintain staff positions. The employer retirement contribution increased from 22% to 28% starting in July 2021 and a 3% COLA is budgeted for 2021 and any merit/incentive and hourly increases for 2021 will only be awarded if revenue allows. Capital has increased from \$857,800 to \$1,414,100. The 2021 budget includes new capital initiatives funds to improve technology and to cover any emergency replacements. Our overall continuing operating component has decreased from \$4,349,100 to \$2,959,700. This is due to no elections in 2021. The continuing operating will be used to cover increases in office supplies and services. In 2021, Administration's emphasis will primarily focus on implementing improvements and continuing to provide the highest quality of services to our customers. I hope that the 2021 budget will be approved and passed "as is", taking into consideration all of the above.

OFFICE OF THE JEFFERSON COUNTY CLERK
 STATEMENT OF ACCUMULATED SURPLUS
 2020 BUDGET - 2020 EXPECTED - 2021 BUDGET
 75% ACCOUNT

	2020 BUDGET APPROVED BY METRO GOV'T	2020 ESTIMATED ACTUAL	2021 BUDGET
ACCUMULATED SURPLUS - Beginning of year	\$ 350,000	\$ 642,800	\$ 4,108,600
REVENUE	\$ 19,550,200	\$ 18,348,200	\$ 18,852,700
REIMBURSABLE EXPENSE	<u>4,249,500</u>	<u>5,530,600</u>	<u>2,516,600</u>
TOTAL FUNDS AVAILABLE FOR USE	\$ 24,149,700	\$ 24,521,600	\$ 25,477,900
EXPENDITURES:			
PERSONNEL	\$ 15,939,300	\$ 13,030,800	\$ 16,549,600
PERSONNEL ELECTION CTR	\$ 1,821,400	\$ 1,942,000	\$ 1,860,000
OPERATING	\$ 2,207,300	\$ 1,780,500	\$ 2,386,600
	\$ -	\$ -	\$ -
OPERATING ELECTION CTR	\$ 2,141,800	\$ 3,490,400	\$ 573,100
			\$ -
		\$ -	
CAPITAL	\$ 571,500	\$ 71,100	\$ 1,330,600
CAPITAL- ELECTION CENTER	<u>286,300</u>	<u>98,200</u>	<u>83,500</u>
TOTAL EXPENDITURES	\$ 22,967,600	\$ 20,413,000	\$ 22,783,400
ACCUMULATED SURPLUS End of year	\$ 1,182,100	\$ 4,108,600	\$ 2,694,500

NOTE: The beginning accumulated surplus in the "2020 Approved by Metro Government" column is \$350,000.00

The ending accumulated surplus in the "2020 Expected" column is an amount estimated near the end of 2020. The State Auditor will determine the actual "2020" Surplus.

NOTE: The revenue reflected above is net of 25% of most fees, which are paid to Metro Government (\$4,356,343 in 2019 and an estimate of \$4,904,125 for 2020 and an estimate of \$5,060,825 in 2021).

OFFICE OF THE JEFFERSON COUNTY CLERK
STATEMENT OF ACTUAL REVENUES

ATTACHMENT A

	2019 Actual		2020 Actual		2020 Remaining		2020 Projected		2020 Estimated		2020 Budget		2021 Budget		2021 Total		Over 2020	
	1/1-12-31	1/1-9/30	10/1-12/31	10/1-12/31	10/1-12/31	10/1-12/31	10/1-12/31	10/1-12/31	Total	1/1-12/31	Continuation	New Initiative	Total	Total	Budget	Est	Total	Actual
CC Statutory Fee-Legal Records	3,693,900	5,441,203	1,358,798	1,813,798	7,255,000	6,800,000	6,800,000	6,800,000	6,800,000	7,255,000	7,255,000	6,69%	7,255,000	7,255,000	6.69%	0.00%	6.69%	0.00%
CC Statutory Fee-Motor Vehicles	7,010,791	4,841,788	2,463,212	1,504,512	6,346,300	7,305,000	7,305,000	7,305,000	7,305,000	6,666,500	6,666,500	-8.74%	6,666,500	6,666,500	-8.74%	5.05%	-8.74%	5.05%
Deed Transfer Tax - 5%	288,634	196,745	88,255	85,455	282,200	285,000	285,000	285,000	285,000	283,000	283,000	-0.70%	283,000	283,000	-0.70%	0.28%	-0.70%	0.28%
Usage Tax - 3%	2,508,148	1,815,954	771,046	596,046	2,412,000	2,587,000	2,587,000	2,587,000	2,587,000	2,495,400	2,495,400	-3.54%	2,495,400	2,495,400	-3.54%	3.46%	-3.54%	3.46%
CC Commission-Deinquent Tax	1,023,665	729,493	358,007	113,407	842,900	1,087,500	1,087,500	1,087,500	1,087,500	900,000	900,000	-17.24%	900,000	900,000	-17.24%	6.77%	-17.24%	6.77%
CC Commission-Legal Records	21,087	15,158	6,842	5,142	20,300	22,000	22,000	22,000	22,000	21,000	21,000	-4.55%	21,000	21,000	-4.55%	3.45%	-4.55%	3.45%
Molax - 4%	3,230,239	2,428,275	1,080,725	577,125	3,005,400	3,509,000	3,509,000	3,509,000	3,509,000	3,086,500	3,086,500	-12.04%	3,086,500	3,086,500	-12.04%	2.70%	-12.04%	2.70%
TOTALS CLERK STATUTORY	\$ 17,756,465	\$ 15,468,616	\$ 6,126,884	\$ 4,695,484	\$ 20,164,100	\$ 21,595,500	\$ 21,595,500	\$ 21,595,500	\$ 21,595,500	\$ 20,707,400	\$ 20,707,400	-4.11%	\$ 20,707,400	\$ 20,707,400	-4.11%	2.69%	-4.11%	2.69%
CC Non-statutory Fees-Legal records	(15)	11	-	89	100	-	100	100	100	-	-	0.00%	-	-	0.00%	-100.00%	0.00%	-100.00%
CC Non-statutory Fees-Motor Vehicles	394,004	137,372	331,228	45,428	182,800	468,600	468,600	468,600	468,600	285,900	285,900	-38.99%	285,900	285,900	-38.99%	56.40%	-38.99%	56.40%
Interest Income	(725,082)	(469,140)	(280,860)	(158,696)	(730,500)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)	0.00%	(750,000)	(750,000)	0.00%	2.67%	0.00%	2.67%
TOTALS CLERK NON-STATUTORY	\$ (331,093)	\$ (331,757)	\$ 50,368	\$ (113,178)	\$ (547,600)	\$ (281,400)	\$ (281,400)	\$ (281,400)	\$ (281,400)	\$ (464,100)	\$ (464,100)	64.93%	\$ (464,100)	\$ (464,100)	64.93%	-15.25%	64.93%	-15.25%
Clerical Expense Reimb-Election Center	586	1,499	12,501	501	2,000	14,000	14,000	14,000	14,000	2,500	2,500	-82.14%	2,500	2,500	-82.14%	25.00%	-82.14%	25.00%
Clerical Expense Reimb-D/T	13,799	17,826	(2,826)	174	18,000	15,000	15,000	15,000	15,000	18,000	18,000	20.00%	18,000	18,000	20.00%	0.00%	20.00%	0.00%
Clerical Expense Reimb-Legal Records	335,437	496,848	193,153	165,553	662,400	690,000	690,000	690,000	690,000	683,900	683,900	-0.88%	683,900	683,900	-0.88%	3.25%	-0.88%	3.25%
Clerical Expense Reimb-Motor Vehicles	671,825	616,469	149,231	202,931	819,400	765,700	765,700	765,700	765,700	820,000	820,000	7.09%	820,000	820,000	7.09%	0.07%	7.09%	0.07%
Election Expense Reimb-State	203,129	-	225,000	203,500	203,500	225,000	225,000	225,000	225,000	203,500	203,500	-9.56%	203,500	203,500	-9.56%	0.00%	-9.56%	0.00%
Election Expense Reimb - Metro	3,281,719	3,534,525	714,975	1,996,075	5,530,600	4,249,500	4,249,500	4,249,500	4,249,500	2,516,600	2,516,600	-40.78%	2,516,600	2,516,600	-40.78%	-54.50%	-40.78%	-54.50%
Legal Records Document Storage Fees	-	1,284,770	315,230	427,230	1,712,000	1,600,000	1,600,000	1,600,000	1,600,000	1,712,000	1,712,000	100.00%	1,712,000	1,712,000	100.00%	100.00%	100.00%	100.00%
Voter Registration	4,959	5,233	1,968	1,868	7,100	7,200	7,200	7,200	7,200	5,300	5,300	-26.39%	5,300	5,300	-26.39%	-25.35%	-26.39%	-25.35%
Bd of Assessment Reimb-Other	6,900	10,400	10,400	6,900	6,900	10,400	10,400	10,400	10,400	6,900	6,900	-33.65%	6,900	6,900	-33.65%	0.00%	-33.65%	0.00%
Preparing Tax Bills Reimbursement	205,212	111,505	102,495	84,295	195,800	214,000	214,000	214,000	214,000	206,000	206,000	-3.74%	206,000	206,000	-3.74%	5.21%	-3.74%	5.21%
Expensed Return Check Payments	-	-	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	0.00%	5,000	5,000	0.00%	#DIV/0!	0.00%	#DIV/0!
Miscellaneous Reimbursement	5,708	2,791	15,534	944	3,725	18,325	18,325	18,325	18,325	7,125	7,125	-61.12%	7,125	7,125	-61.12%	91.28%	-61.12%	91.28%
TOTALS CLERICAL EXPENSE	\$ 4,729,275	\$ 6,071,464	\$ 1,742,661	\$ 3,094,971	\$ 9,166,425	\$ 7,814,125	\$ 7,814,125	\$ 7,814,125	\$ 7,814,125	\$ 6,186,825	\$ 6,186,825	-20.83%	\$ 6,186,825	\$ 6,186,825	-20.83%	-32.51%	-20.83%	-32.51%
County Treasurer: 25%	(4,356,343)	(3,784,215)	(1,544,313)	(1,145,576)	(4,904,125)	(5,328,525)	(5,328,525)	(5,328,525)	(5,328,525)	(5,060,825)	(5,060,825)	-5.02%	(5,060,825)	(5,060,825)	-5.02%	3.20%	-5.02%	3.20%
TOTALS FOR FEE DISBURSEMENTS	\$ (4,356,343)	\$ (3,784,215)	\$ (1,544,313)	\$ (1,145,576)	\$ (4,904,125)	\$ (5,328,525)	\$ (5,328,525)	\$ (5,328,525)	\$ (5,328,525)	\$ (5,060,825)	\$ (5,060,825)	-5.02%	\$ (5,060,825)	\$ (5,060,825)	-5.02%	3.20%	-5.02%	3.20%
TOTAL-ALL REVENUES	\$ 17,796,304	\$ 17,424,109	\$ 6,375,600	\$ 6,531,700	\$ 23,878,800	\$ 23,799,700	\$ 23,799,700	\$ 23,799,700	\$ 23,799,700	\$ 21,369,300	\$ 21,369,300	-10.21%	\$ 21,369,300	\$ 21,369,300	-10.21%	-10.51%	-10.21%	-10.51%

OFFICE OF JEFFERSON COUNTY CLERK
STATEMENT OF ACTUAL EXPENDITURES

	2019	2020	2020	2020	2020	2020	2020	2020	2020	2020	2021	2021	2021	2021	2021	2021
	Actual YTD	Actual YTD	10/01-12/31/20	Estimate	Annual Estimate	Diff(Over)/Under	Budget	BUDGET	BUDGET	BUDGET	CONTINUATION	NEW INITIATIVE	APPROVED	% Change	2021 Budget	
		10/01-9/30/20	10/01-12/31/20	Estimate	Estimate			1/1 - 12/31				EXPANSION	BUDGET	To 2020 Estimated	vs. 2020 Budget	
Gross Salaries-Regulars	9,273,012	6,651,824	2,590,976	92,829	9,242,800	2,930,700	(273,800)	12,173,500	12,474,200	0	12,474,200	0	12,474,200	24.16%	24.16%	
Gross Salaries-Seasonal	14,445	242,771	335,600	29,022	2,930,700	(273,800)	61,800	61,800	61,800	0	61,800	0	61,800	-83.06%	0.00%	
Gross Salaries-Overtime	16,500	44,678	29,022	211,216	73,700	51,300	125,000	125,000	125,000	0	125,000	0	125,000	69.61%	0.00%	
Social Security-Employer	700,047	516,484	227,700	658,744	2,297,500	208,400	936,100	959,100	959,100	0	959,100	0	959,100	21.25%	2.46%	
Retirement-Employer	2,094,866	1,638,756	658,744	537,241	2,149,600	460,400	2,610,000	3,322,100	3,322,100	0	3,322,100	0	3,322,100	33.03%	2.46%	
Health Insurance	1,960,302	1,612,359	900	3,600	2,149,600	460,400	2,610,000	2,897,900	2,897,900	0	2,897,900	0	2,897,900	24.03%	11.03%	
County Clerk Expense	3,600	2,700	900	3,600	3,600	0	3,600	3,600	3,600	0	3,600	0	3,600	0.00%	0.00%	
Employee Cashouts	47,536	52,263	17,437	72,600	69,700	(9,700)	60,000	60,000	60,000	0	60,000	0	60,000	-13.92%	0.00%	
Workers Comp - Employer	70,507	54,916	17,684	72,600	72,600	(2,400)	70,200	83,100	83,100	0	83,100	0	83,100	14.46%	18.38%	
Vacancy Credit					(1,521,900)	(1,521,900)	83,100		(1,577,200)		(1,577,200)		(1,577,200)			
TOTAL PERSONNEL	\$14,180,815	\$10,816,751	\$4,156,049	\$14,972,800	\$2,787,900	\$17,760,700	\$18,409,600	\$18,409,600	\$0	\$0	\$18,409,600	\$22,955	\$18,409,600	22.95%	3.65%	
Unemployment Insurance	27,676	27,736	9,264	37,000	6,700	43,700	7,200	43,700	43,600	0	43,600	0	43,600	17.84%	-0.23%	
Employee Assistance Program	5,670	4,253	1,447	5,700	1,500	7,200	7,200	7,200	7,500	0	7,500	0	7,500	31.59%	4.17%	
Parking	82,580	65,793	22,007	87,800	51,200	139,000	86,100	86,100	160,000	0	160,000	0	160,000	82.23%	15.11%	
Rent	85,440	64,080	35,503	141,900	17,400	159,300	17,400	86,100	86,100	0	86,100	0	86,100	0.70%	0.00%	
Telephones	108,839	106,397	35,503	141,900	17,400	159,300	17,400	159,300	222,800	0	222,800	0	222,800	57.01%	39.86%	
Gas/Electric	22,890	14,128	4,772	18,900	16,100	35,000	35,000	35,000	35,000	0	35,000	0	35,000	85.18%	0.00%	
Professional Service Contracts	214,766	177,779	267,921	445,700	82,100	527,800	82,100	527,800	540,500	0	540,500	0	540,500	21.27%	2.41%	
Security Services	91,844	63,348	21,152	84,500	33,200	117,700	117,700	117,700	123,300	0	123,300	0	123,300	45.92%	4.76%	
Janitorial Services	81,050	53,988	16,012	72,000	51,800	123,800	123,800	123,800	103,300	0	103,300	0	103,300	-16.56%	-16.56%	
Advertising	62,636	42,220	128,080	170,300	59,700	230,000	230,000	230,000	51,000	0	51,000	0	51,000	-70.05%	-77.83%	
Printing	380,857	301,002	986,798	1,287,800	490,300	490,300	490,300	490,300	106,000	0	106,000	0	106,000	-91.77%	-78.38%	
Postage & Delivery	69,201	671,657	63,043	734,700	(541,000)	193,700	193,700	193,700	254,000	0	254,000	0	254,000	-65.43%	31.13%	
Election Workers	987,527	1,045,487	13	1,045,500	(51,500)	994,000	994,000	994,000	0	0	0	0	0	-100.00%	-100.00%	
Office Expense	157,760	158,142	97,958	256,100	(33,200)	222,900	222,900	222,900	251,500	0	251,500	0	251,500	-1.80%	12.83%	
Discretionary Fund	10,000	0	0	0	0	0	0	0	0	0	0	0	0	#DIV/0!	#DIV/0!	
Expense Return Checks	0	0	25,000	25,000	(13,000)	12,000	12,000	12,000	12,000	0	12,000	0	12,000	-52.00%	0.00%	
Maintenance & Repairs	362,690	449,452	116,848	566,300	83,700	650,000	83,700	650,000	684,300	0	684,300	0	684,300	20.84%	5.28%	
Rental Equipment	34,263	25,188	8,412	33,600	31,600	65,200	31,600	65,200	43,200	0	43,200	0	43,200	-33.74%	-33.74%	
Automotive Rental	25,059	19,193	6,407	25,600	4,400	30,000	4,400	30,000	0	0	0	0	0	100.00%	-100.00%	
Mileage & Gas	12,970	6,843	2,357	9,200	16,300	25,500	16,300	25,500	24,600	0	24,600	0	24,600	167.39%	-3.53%	
Meetings	4,115	60	40	100	15,900	16,000	15,900	16,000	17,200	0	17,200	0	17,200	17100.00%	7.50%	
Seminars	4,637	2,388	812	3,200	17,400	20,600	17,400	20,600	23,100	0	23,100	0	23,100	621.88%	12.14%	
Tuition	2,400	3,199	701	3,900	20,100	24,000	20,100	24,000	24,000	0	24,000	0	24,000	515.33%	0.00%	
Insurance & Bonds	87,318	90,576	8,424	99,000	1,000	100,000	1,000	100,000	110,000	0	110,000	0	110,000	11.11%	10.00%	
Notary Bonds	2,141	1,539	261	1,800	1,400	3,200	1,400	3,200	2,100	0	2,100	0	2,100	16.67%	-34.36%	
Membership Dues	19,540	985	24,215	25,200	(1,700)	23,500	(1,700)	23,500	25,900	0	25,900	0	25,900	2.78%	10.21%	
Subscriptions	1,087	3,401	1,199	4,600	8,700	8,700	4,600	8,700	8,700	0	8,700	0	8,700	89.14%	1.16%	
TOTAL OPERATING EXPENSES	\$2,944,956	\$3,398,634	\$1,872,066	\$5,270,900	\$921,800	\$4,349,100	\$2,959,700	\$4,349,100	\$0	\$0	\$2,959,700	\$43,855	\$2,959,700	-43.85%	-31.95%	
Office Equipment	9,949	15,377	823	16,200	83,500	99,700	83,500	99,700	112,000	0	112,000	0	112,000	591.37%	12.34%	
Computer Equipment	10,990	79,601	4,899	84,500	199,600	284,100	199,600	284,100	135,700	0	135,700	0	135,700	60.59%	-52.24%	
Computer Software	2,788	18,926	74	19,000	179,300	179,300	179,300	179,300	302,900	0	302,900	0	302,900	1494.24%	68.93%	
Furniture & Fixture	2,068	0	6,500	6,500	43,200	49,700	43,200	49,700	58,500	0	58,500	0	58,500	799.97%	17.71%	
Remodeling & Renovations	3,825	7,472	2,528	10,000	195,000	205,000	195,000	205,000	805,000	0	805,000	0	805,000	7950.27%	292.66%	
Vehicle	0	24,792	8,308	33,100	6,900	40,000	6,900	40,000	0	0	0	0	0	100.00%	-100.00%	
TOTAL CAPITAL EXPENSES	29,720	\$146,168	\$23,131	\$169,300	\$688,501	\$857,800	\$688,501	\$857,800	\$0	\$0	\$1,414,100	\$1,414,100	\$1,414,100	735.26%	64.85%	
TOTAL ALL EXPENDITURES	\$17,155,482	\$14,361,752	\$6,051,246	\$20,413,000	\$2,554,601	\$22,967,600	\$22,967,600	\$22,967,600	\$21,369,300	\$1,414,100	\$22,783,400	11,612	\$22,783,400	11.61%	-0.80%	

OFFICE OF THE JEFFERSON COUNTY CLERK

NOTES TO THE 2021 BUDGET

REVENUES

Actual Revenues	2019	\$17,798,304
Budgeted Revenues	2020	\$23,799,700
Estimated Revenues	2020	\$23,878,800
Budgeted Revenues	2021	\$21,369,300

Estimated revenues for 2020 were determined by using actual data for the nine months ending September 2020 and analyzing actual revenue data for the past five years. Overall economic factors out of our control affect the Clerk's office fees. We believe our approach to be the most reasonable.

Continuing Clerk Fee Revenues for 2021 are budgeted to decrease by \$697,500 (-3.57%) compared to the 2020 budget; a decrease for Metro election expense reimbursement of \$1,732,900 compared the 2020 budgeted reimbursement. There will be no elections in 2021. With nine months of actual data to analyze in the motor vehicle fee categories, we are estimating annual fees for 2021 budgeted revenue to decrease 8.74% compared to the 2020 budget and 5.05% more than the 2020 estimated actual. For legal record fees, we have estimated the budgeted revenue to increase 6.69% compared to the 2020 budget and remain flat compared to the estimated actual for 2020. In 2021, we have estimated delinquent tax revenue to decrease 17.24% compared to the 2020 budget.

As of September 30, 2020, Motor Vehicle statutory fees are 11.6% less than the 2020 budget and 11.5% less than 2019 actual revenue for the same period. Motor Vehicle non-statutory fees are 60.9% less than the 2020 budget and 55.5% less than the September 30, 2019 actual revenue. Usage tax is 6.4% less than the 2020 budget and 4.6% less than the September 30, 2019 actual revenue. Mo-tax is 7.7% less than the 2020 budget and 6.1% less than the September 30, 2019 actual revenue. Legal Record's revenue is 6.7% more than the 2020 budget and 99.08% more than September 30, 2019 actual revenue. Delinquent Tax revenue is 10.6% less than the 2020 budget and 23.3% less than September 30, 2019 actual revenue.

Based on the September 30, 2020 (factoring out Metro reimbursable expense) overall revenue being under budget by 5.3 % and 24.8% more than 2019 actual revenue and taking into consideration Covid-19, current general economic conditions and the expectation of the overall housing starts and vehicle sales, we have adjusted our line item projected revenue for 2021.

PERSONNEL COSTS

Personnel cost for 2021 is budgeted at \$18,409,600 an increase of \$648,900 from the budgeted personnel cost for 2020. The salary line item budget has increased due to projected 3% COLA raises for 2021, and any merit/incentive increases. The overall increase is also due to the change in employer retirement contribution from a budgeted 22% to a 28.0% effective July 1, 2021. The benefit cost calculations of 28% of gross salary was used for employer retirement contribution to cover the change in the rate at July 1, 2021. The retirement rate is adjusted on a fiscal year instead of on a calendar year. The calculation for employer contribution for FICA is gross salary times 7.65%. The budget for worker's compensation premiums will increase 18.38% to cover the cost of an expected increase due to Covid-19. The vacancy credit is not applied to salaries for purposes of calculating the annual premium for worker's compensation to ensure adequate funds to cover the annual audit. The Clerk's Office contribution for insurance is budgeted to increase 11.03% compared to the 2020 budget and increase 24.03% as compared to the 2020 estimated actual. In evaluating our revenue available to meet our operating cost for 2021 and analyzing our current vacancy trend, we determined that we still require the 322 slots. With our overall calculation for the personnel budget, we have set our vacancy credit at 8.0%, which will enable us to maintain our monthly staff at a level needed to ensure that we continue providing excellent customer service.

A COLA salary adjustment of 3% for managers and front-line staff and 2% COLA adjustment for division managers and above is included in the personnel cost. These percentages will be used for an across-the-board cost-of-living increase in December 2020 retroactive to January 1, 2020 or their hire date. Any performance awards for merit/incentive will only be distributed if discretionary funds are available. The overtime budget will remain flat compared to our 2020 budget to ensure adequate funding in the general duties of the clerk's office. Overtime is still used at times when the branches are short staffed and are required to stay over to complete the day's work. Overtime is necessary for employees to work at fairs, festivals and to attend mandatory employee training seminars/meetings scheduled after hours.

We request a staff of 322 in the 2021 personnel budget to maintain a high level of efficiency. One of our 2021 strategic initiatives are to continue to provide excellent customer service to the citizens of Jefferson County. In order to achieve our goals, we need to maintain our staff level at 322.

We hope that Metro Government will look favorably on our request and approve the personnel budget as presented.

New Initiative

No new initiatives are required for personnel expense.

OPERATING EXPENSES

The 2021 continuing operating expenses are expected to decrease \$2,311,200 (-43.85%) from the 2020 estimated actual operating expenses:

2021 Budgeted Operating Expenses vs. 2020 Estimated Actual Operating Expenses

\$ 2,959,700	\$5,270,900
<u>-0-</u>	<u>-0-</u>
\$ 2,959,700	\$5,270,900
=====	=====

Maintenance and repairs are budgeted to increase 5.28% over 2020 budget and Professional Service Contracts to increase 2.41% over the 2020 budget. These expenses are to cover new and existing maintenance and professional service contracts, any shortfall in the Metro apportionment budget, and unexpected repairs on aging equipment. The cash management system expenses are estimated to increase 4.76% compared to the 2020 budget. Currently we own the Cash Link Systems, however they are over five (5) years old and may need to be repaired in 2021. Janitorial services will decrease 16.56% compared to the 2020 budget due to change in vendor and reduction in vendor cost. Rental equipment budget has been decreased 33.74% as compared to the 2020 budget due to a non-election year. Telephone expenses are expected to increase 39.86% over the 2020 budget. Postage and delivery expenses are 65.43% less than the estimated 2020 actual and 31.13% more than the 2020 budget. This is due to regular stock up at year end, any increase in postal rates, and an increase in mail-in and online vehicle renewals. Office Expenses are 1.8% less than the estimated 2020 actual and 12.83% more than the 2020 budget. Office expense includes some funds to continue the employee uniform program that was approved by the Kentucky State Auditor's Office in the last quarter of 2006. It also includes up to \$2,500 to cover the annual All Employee Meeting and purchase any prizes and take away items related to the meeting. The 2021 budget includes supplies related to year end stock up orders and providing PPE to the office. The printing budget has decreased 91.77% compared to the 2020 estimated actual and a decrease of 78.38% compared to the 2020 budget. The current budget includes funds to replenish printed materials. Printing of ballots will not be required in 2021. Printing of brochures and document holders continues to require a substantial portion of the printing budget. Advertising has decreased 70.05% compared to the 2020 estimated actual and decreased 77.83% compared to the 2020 budget. There are no scheduled elections to advertise in 2021. The remaining budget is to cover advertising for the general services of the clerk's office such as mail-in, telephone, and internet renewals. The category of meetings, tuition and seminar expenses has been increased 6.1% compared to the 2020 budget due to in-house employee training and development seminars. We also have tuition reimbursement. Mileage has decreased 3.53% compared to the 2020 budget. The cost of gas has decreased and limited travel due to Covid-19. Insurance and Bonds is estimated to increase 11.11% compared to the 2020 estimated actual and increase 10% compared to the 2020 budget. This expense is to cover our general liability, employment practice and property insurance premiums in 2021. Subscriptions have increased 89.14% over the 2020 estimated actual and

increased 1.16% compared to the 2020 budget. Membership dues increased 10.21% over the 2020 budget.

Professional Services Contracts

Contracts with several firms, currently doing business with this office, will be continued and new vendors are being selected. While some of these arrangements provide for set fees, others are based on an hourly rate. It is impossible to predict exactly how much will be required for each provider or by category. It is also impossible to name all future vendors, as our requirements may change from time to time based on needs of the office.

The following is a partial list of anticipated providers of outside professional services:

- Jefferson County Sheriff – provides data processing services for property tax bills.
- Zielke Law Firm – provides general legal counsel with expertise in contracts, employment law and litigation and provides guidance in Human Resources as needed.
- Trace 3 - provides expertise for systems security issues.
- IBM – provides expertise, development and training for various data processing projects.
- CDWG – provides encryption for intranets, mail servers, and other applications
- Flexential – provides ISP services and leased lines for Ethernet connectivity.
- Xerox – provides support for imaging and financial software applications.
- Instream– provides computer hardware, computer software and integration services according to the State of Kentucky pricing contract.
- SAGE – provides support for Human Resource, timekeeping and insurance open enrollment systems.
- Software Information Systems – provides email services.
- Data Design – provides programming for delinquent taxes.
- A CPA firm may be selected to provide accounting and financial counsel.
- Jefferson County Board of Election Members – attend monthly board meetings.
- Kwantek – online job applications.
- Eagle Technology Management – accounting services.
- Log Me In – Online chat for concurrent operators.
- AT&T - Communications

Recap of Operating Expense Increase

2020 Estimated Operating Expenses **\$5,270,900**

Changes projected for 2021:

Unemployment Insurance	6,600
Employee Assistance Program	1,800
Parking	72,200
Rent	600
Telephones	80,900
Gas & Electric	16,100
Professional Service Contracts	94,800
Security Services	38,800
Janitorial Services	31,300
Advertising	(119,300)
Printing	(1,181,800)
Postage & Delivery	(480,700)
Election Workers	(1,045,500)
Office Expenses	(4,600)
Discretionary Fund	-0-
Expense Returned Checks	(13,000)
Maintenance & Repairs	118,000
Rental Equipment	9,600
Automotive Rental	(25,600)
Mileage & Gas	15,400
Meetings	17,100
Seminars	19,900
Tuition	20,100
Insurance & Bonds	11,000
Notary Bonds	300
Membership Dues	700
Subscriptions	4,100
Total 2021 Operating Expenses	\$2,959,700

CAPITAL EXPENDITURES

The Jefferson County Clerk's Office expects revenue to be on target for the remaining months of 2020 and we are projecting a small decrease in fee revenue in 2021. Our prudent spending has provided us with the opportunity to fund a few new capital initiatives, emergency funds and the other required expenses which are necessary to ensure that our office is able to provide the continued VIP service which the citizens of Metro Jefferson County are entitled to and have come to expect from our administration. The capital budget has been increased over the 2020 estimated actual and 2020 budget due to technology improvements and remodeling projects.

Capital expenditures for 2021 are budgeted as follows:

Office Equipment	112,000
Computer Equipment	135,700
Computer Software	302,900
Furniture and Fixtures	58,500
Remodeling and Renovation	<u>805,000</u>
Total Capital Expenditures	<u><u>\$ 1,414,100</u></u>

Office Equipment – Total \$112,000

The amount budgeted for office equipment is necessary to obtain various items, such as Venda Card units, Electric Book & Page machines, scanners, telephone equipment, headsets, check signer, refrigerators, microwaves, and any unexpected replacements. Additionally, we have included the following initiatives:

1. Emergency replacement of miscellaneous office equipment throughout the office - \$50,000.
2. Titan 200 TC Cutter - \$19,000. Replacement of aging Cutter in the Duplications branch of the Legal Records department.
3. Miscellaneous Office Equipment - \$15,000. Staplers (21), Calculators (15), need to be replaced in Legal Records. Community Banners and camera accessories are needed in Media Relations. (1) LCD projector for Motor Vehicles.
4. Epoll Book Charging Stations, Router & WAPs - \$10,000. The Secretary of State has purchased Epoll Books to replace the current paper rosters. These charging stations are needed to charge, store, secure, transport and protect the units. The router and WAPs will be used to create a wireless network that can download databases to multiple epoll books concurrently.
5. Cash Drawer Replacement \$9,000. - The Motor Vehicles Branch needs replacement of their cash drawers due to aging equipment.
6. Wireless Headsets - \$9000. Due to wear and tear, we need to replace 31 headsets in various branches in our Motor Vehicle department.

Computer Equipment and Software – Total \$438,600

The Office of the Jefferson County Clerk is the custodian for the county's public records. Documents and electronic data are stored on the computer systems maintained by the Clerk's Office. Computer technology has replaced many manual processes with more efficient processes. There are over 300 computers, terminals and fax machines in the Clerk's Office.

The Clerk's Office has many different functions and must have the appropriate software for each. The software must be kept current as the manufacturers update their products. Manufacturers refuse to support outdated versions of their product, which could have catastrophic results.

The 2021 budget includes funds to maintain the integrity of current systems and address any required replacements.

1. Migration to Windows 10 Operating System - \$120,000. As of January 2020, Microsoft will no longer be providing updates and manufacturer technical support for our current Windows 7 operating system. We will need to migrate over 300 computers to the new system. We need to purchase 100 computer memory expansion chips. As well as replace 60 current computer workstations that cannot be upgraded.
2. Purchase Computer Hardware & Software - \$61,600. - Replace aging equipment & software in various divisions around the office. Purchase (5) color printers, (1) printer/scanner, (24) wireless keyboard and mouse sets, (20) VOIP phones, (2) large wall mount monitors, (2) laptops, (3) Dual set-up monitors, and (10) Walkie-Talkie Earphones are needed in Motor Vehicles. The Human Resources Division is in need of (3) document scanners, a Wi-Fi network for employee orientation, as well as (4) iPad or similar tablets. Replacement of (3) aging 2-tray printers and (1) PC workstation is a need in the Finance Division. The Logistics department needs to replace (2) 27-inch monitors due to wear and tear. There is also a need for (1) color printer. We need to purchase (39) HP LaserJet printers for the Election Center. In the Media & Public Relations Division needs (1) MacBook and docking station that will be used to enhance productivity and technical ability of the Webmaster. Replacement of (1) computer and (1) laptop, various software around the department. Replacing these obsolete machines will ensure continuity of operations and a high level of continuous customer service. The IT department needs (15) IBM/AS400 compatible back-up tape cartridges will be used to replace current inventory of aging cartridges. New tapes will help ensure the integrity of backed-up AS/400 databases and files. IT also needs a computer workstation for video processing. The Legal Records Division will need (1) computer workstation, (14) replacement document scanners, (15) wireless keyboards, and (1) color printer to enhance productivity of the division.
3. Emergency Replacement Equipment - \$50,000. Computer equipment needed for operational productivity. To maintain productivity and upgrades for any emergencies that may be required throughout the year.
4. Emergency Replacement Software - \$50,000. Computer software needed for operational productivity. To maintain productivity and upgrades for any emergencies that may be required throughout the year.

5. Voter Registration Card Scanning Application - \$50,000. Replacement of the current AS/400 based scanning application due to the end of support for its content manager. Will be replacing with a new cloud-based or server-based application.
6. Online Election Officer Management Application - \$40,000. The current election officer management system is outdated and does not allow us to effectively manage and communicate with over 4,000 election officers.
7. Online Election Officer Training Application - \$40,000. This application will allow required statutory training online to over 4,000 election officers.
8. Purchase Spare Parts and Equipment - \$15,000. Replenish our supply of spare parts and computer devices to maintain an adequate level of inventory to maintain uninterrupted productivity if equipment should fail. A ready spare parts and equipment inventory is critical to maintaining uninterrupted productivity and a high level of customer service. The following items will be added to inventory – Dell N2024 Layer-3 Network Switch (1); VOIP telephones (7); VOIP telephones with expansion modules (3); Mitel VOIP switch (1).
9. Microfiche Scanning Project - \$6,000. Additional computers and scanning for the scanning of land record documents from Microfiche.
10. Computer/Networking Equipment - \$6,000. Needed for unanticipated expenses for move of JCCO departments from the Fiscal Court building to the First Trust Center.

Furniture & Fixtures - \$58,500

Budgeted funds are for miscellaneous replacement of furniture and fixtures for various departments. Items to include are, license plate and file cabinets, fabric panels and keyboard trays.

1. Emergency Replacement Office Furniture and Cabinets - \$50,000. Office furniture and cabinet replacements needed for operational productivity. To maintain productivity and upgrades for any emergencies that may be required throughout the year.
2. Chair Replacement - \$8,500. Replacement 25 employee chairs throughout our Motor Vehicle branches due to wear and tear.

Remodeling – \$805,000

1. Relocation and renovation of the West Branch - \$600,000. More square footage is needed for the west branch. The current location is too small. There are also security issues at the current location. Depending on the future location, renovations may be required.
2. Emergency Remodeling - \$105,000. Funds for unplanned renovations in areas throughout the JCCO to maintain productivity and upgrades for any emergencies that may be required throughout the year.
3. Renovation of the Professional License/Delinquent Tax Branch - \$100,000. Update the employee workstations and add customer seating. Expand the current location into the public affairs office area once they are moved into their new location a part of the Fiscal Court Building move.