



**St. Louis County Recorder's Office
2008-2009 Business Plan**

November 2007

Table of Contents

I.	Mission.....	3
II.	Vision and Values.....	3
III.	Core Services.....	3- 4
	Abstract Division	
	Torrens Division	
	Examiner of Titles Division	
	Vital Records Division	
	Uniform Commercial Code Division	
IV.	2006 Operating Budget/Revenue by Program Chart.....	4
V.	Organizational Chart.....	5
VI.	Department Initiatives.....	5-8
	Real Estate Division	
	Real Estate Documents Recorded by Year Chart	
	Examiner of Titles Division	
	Uniform Commercial Code Division	
	Vital Records Division	
VII.	Space Needs.....	8
VIII.	Technology Plan.....	8
IX.	Purchasing Plan.....	9
X.	Workforce Plan.....	9
VII.	Challenges.....	9
IX.	2008/2009 Goals and Objectives Chart.....	9

St. Louis County Recorder

I. MISSION

The St. Louis County Recorder's office is committed to establishing and maintaining the highest level of customer service possible in providing information and products to the consumer. We are dedicated and committed to preserving, protecting and providing access to information in a manner that is accurate, timely, and cost effective.

II. VISION/VALUES

Preserving the Public Record through Teamwork and Innovation

- Commitment to service excellence
- Incorporating the "wise" use of technology in service delivery
- Defining a competitive cost to process each transaction
- Work collaboratively/network with other county/industry stakeholders

III. CORE SERVICES-Abstract Division

The evidence of title most commonly found in the United States is abstract title. An abstract of title is a history of recorded title to a particular tract of land. It is a document that consists of a summary of the material parts of every recorded instrument affecting the title. It begins with the legal description of the land covered by the abstract, and then shows the original patent and all subsequent recorded documents that affect the title. Therefore, what has been recorded in the land record's office is then certified by a licensed abstractor and this determines whether the abstract of title is complete. After this step is complete, usually a real estate attorney will complete a "opinion of title", based upon examination of the abstract of title, to determine whether there are any title problems or defects, and if so, what should be required to legally clear up any title defects. 11.5 full time equivalents are assigned to the Abstract Division.

Torrens Division

Torrens property is property which the title has been adjudicated under the authority of Minnesota Statutes, Chapter 508. This means that all matters pertaining to the title are under the supervision of the court, from initial registration proceeding, through proceedings subsequent to initial registration. Under the supervision of the court, the Registrar of Titles issues an original certificate of title and a copy of it is delivered to the registered owner. All encumbrances and rights to be effective against registered land must be shown upon the certificate of title with the exception of seven statutory exceptions as defined in Minnesota Statute 508.25. 11.5 full time equivalents are assigned to the Torrens division.

Examiner of Titles Division

The legal adviser to the registrar of titles is the examiner of titles, who also supervises the initial registration proceedings and all petitions subsequent to initial registration. Two full time equivalents make up the Examiner's Division.

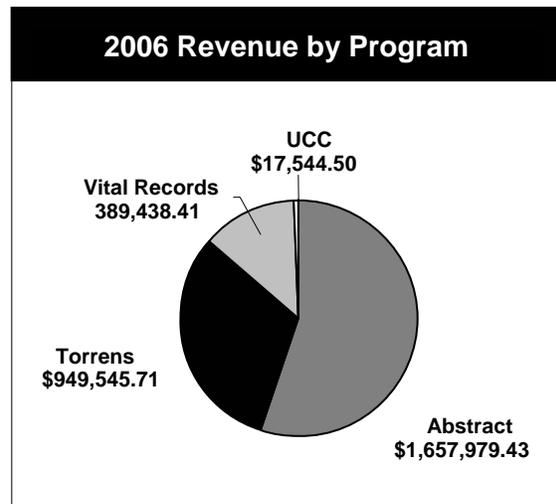
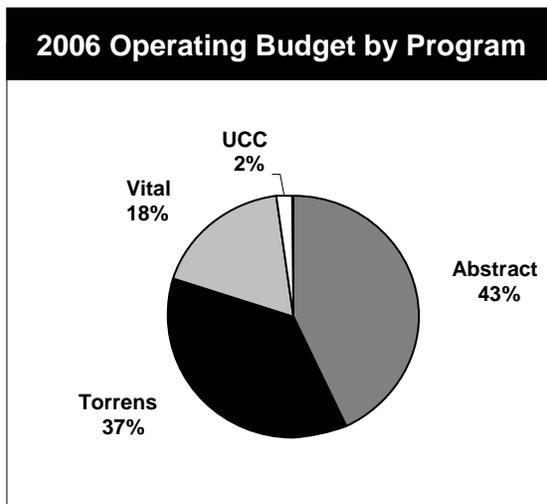
Vital Records Division

This division is responsible for the issuance and filing of birth and death records, and the issuance and filing of marriage licenses. In order to accomplish this goal the Recorder has 3.5 employees in the Duluth office, one employee in the Hibbing Courthouse and one employee in the Virginia Courthouse. Marriage licenses are also available in the Ely Government Center pursuant to an arrangement with the 4th District Commissioner's office. 5.5 full time equivalents are assigned to the Vital Record's Division.

Uniform Commercial Code Division (UCC)

UCC governs transactions that involve financing statements which are filed as a public notice of a security interest in collateral against an organization or individual. UCC filings are under the direction of the Secretary of States office. Customers can file a UCC financing statement with the county recorder or electronically with the Secretary of State. The UCC Division also handles the filings of hospital liens, notary and ministerial credentials. .5 full time equivalent is assigned to the UCC Division.

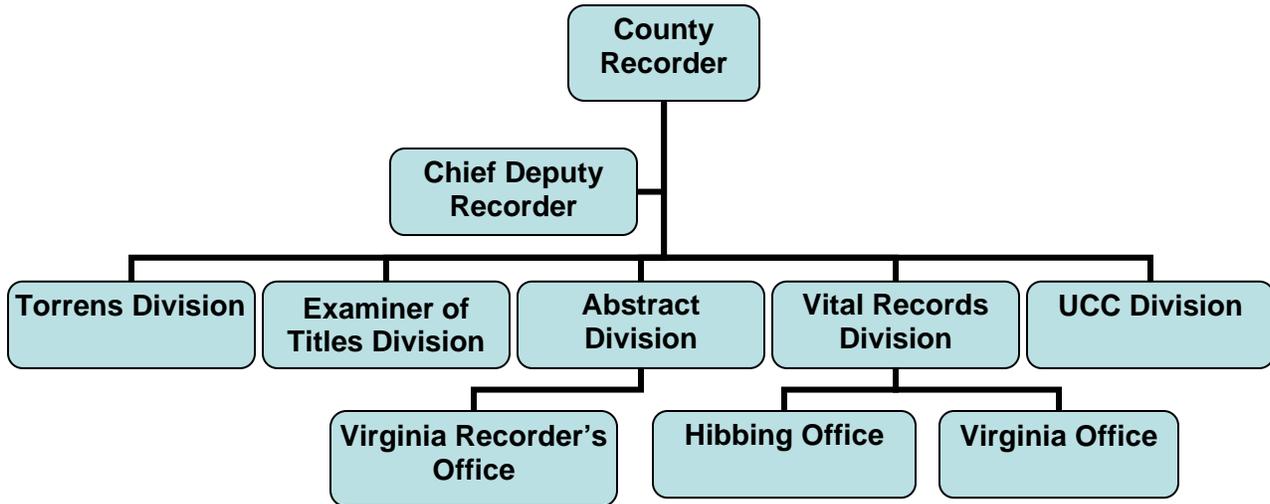
IV. 2006 OPERATING BUDGET AND REVENUE BY PROGRAM



The County Recorder charges various fees for real estate document recording and the issuance of vital records; most fees collected are set by state statute. The fees charged by the county recorder are used to offset department operational costs as well as assist in funding other county operations such as the Geographic Information System (GIS) currently under development. A significant portion of the fees collected by the County Recorder include various surcharges

imposed by the state of Minnesota. In 2006, the County Recorder's office collected \$816,234.00 in various state surcharges that were turned over to the state of Minnesota.

V. ORGANIZATIONAL CHART

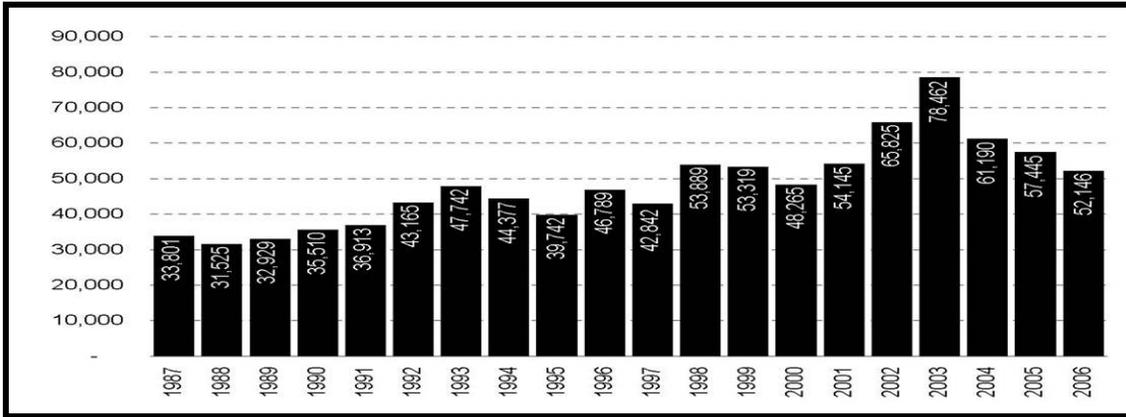


VI. DEPARTMENT INITIATIVES

REAL ESTATE DIVISION

The local real estate market is dependent, for the most part, on what happens with the U.S. economy and, in turn, interest rates. Other factors weigh in as well such as the availability of developable land. St. Louis County is currently witnessing an expansion of condominium/planned community developments and a significant increase in platted subdivisions. Additionally, land abutting lakes, rivers or streams is in high demand. Even though the number of transactions recorded has declined from historic highs, comparatively, the amount of transactions recorded in 2007 is similar to the year 2000, which was considered to be a busy year.

REAL ESTATE DOCUMENTS RECORDED BY YEAR 1987-2006



All real estate conveyances rely on documents recorded in a county recorder's office. In the early years of document recording the record keeping process consisted of hand written and transcribed documents. With the advent of the typewriter and microfilm, documents were typed and filmed for archival storage. With the advent of technology, documents were computerized in a data format. And as technology advanced, documents are now kept in data format along with the imaged format of each document. In today's world, the "wise" use of technology is an essential component to the efficiency and cost of managing information.

The chart indicates the statutory maximum number of days to record/process a transaction. In 2007, the chart indicates 60% of all documents received must be processed in 15 days or less. Year to date this office is recording, processing and returning transactions in 10 days or less 100% of the time.

Year	RECORDING DAYS	PERCENTAGE
2006	No time limit	
2007	15	60%
2008	15	70%
2009	15	80%
2010	15	90%
2011	10	90%

Over the past several years this office has utilized innovative technology to streamline service delivery. The completion of the Automated Torrens System (ATS) has allowed the Torrens Division to reduce the gap period from three months down to two days. The conversion of all certificates of title to data/ image format and imaging of all documents back to 1987 allows our customers to complete record research and title updating off site via remote access to the Recorder's data base. The downside of this is that we have seen a significant

drop in copy revenue as on-line subscribers can now create a document copy via remote access. All records converted to a data/image format, however, will become part of the GIS parcel layer. We envision a future work environment where there will be little need for the real estate professional to make a trip to the courthouse to conduct record research or to record a document.

Planning will begin in 2008 for the implementation of electronic recording (eRecording) in 2009. eRecording redesigns the real estate document recording process by creating efficiencies whereby costs are reduced for both the recorder and the customer. eRecording encompasses the use of several technologies based on national standards and is a process of digitally creating, submitting and recording legal binding land ownership records. Considerable time saving efficiencies will be realized for the customer and county through the implementation of eRecording.

EXAMINER OF TITLES DIVISION

The Examiner of Titles Division consists of the Examiner of Titles and one clerical support position. The Examiner of Titles is the legal advisor to the Registrar of Titles. The staffing level in this division has remained the same throughout the years despite a significant increase in the number of transactions presented for registration. In addition, planned communities such as condominium projects and town home developments have increased dramatically as have platted subdivisions. Likewise, real estate attorneys are becoming more and more creative in transferring title from one party to another. All of this requires a watch full eye and legal oversight by the Examiner of Titles. Proper examination of title insures the integrity of the Torrens registration system.

In order to keep staffing levels and associated costs to a minimum, the County Recorder has set up a process to contract with an outside attorney to serve as a Deputy Examiner. The current contract is with a retired, well qualified Hennepin County examiner. When complex, time consuming projects are presented for registration, additional help can now be called in.

UNIFORM COMMERCIAL CODE (UCC) DIVISION

UCC governs transactions that involve financing statements which are filed as a public notice of a security interest in collateral against an organization or individual. UCC filings are under the direction of the Secretary of States office. Customers can file a UCC financing statement with the county recorder or electronically with the Secretary of State (SOS). With the advent of Revised Article 9, which required the central filing of UCC documents through the Secretary of States office and gave counties the option to serve as a satellite filing office, we have experienced a significant decline in UCC filings. Customers now have a choice and can file a UCC financing statement with the county recorder or electronically with the SOS. In 1998, we filed 5,470 UCC

transactions down to 878 in 2006. During the next budget cycle we will analyze the need to continue/eliminate this non-core service.

VITAL RECORDS DIVISION

The transfer of birth and death records to the county recorder's office took place in 1998 as part of the state take over of court functions. Part of the transfer required the recorder's office to image from microfilm and re-index over 365,000 birth/death records. Additionally, satellite city offices in Biwabik, Chisholm, Hibbing and Virginia were closed. Marriage records/licensing, notary commission filings and filing of hospital liens were transferred to the county recorder in 2006. In order to provide improved access to vital records in the north half of St. Louis County a vital records satellite office opened in the Hibbing Courthouse in 2006 followed by the opening of the office in the Virginia Courthouse office in 2007.

In 2008/2009 business conducted in the three vital records offices will be monitored. Where necessary, service delivery will be streamlined utilizing technology and reorganization of some job duties/functions. An example of this is the Auditor and Recorder are collaborating to create a customer service counter in the Hibbing courthouse. If enacted, customers will be able to request a vital record, pay property taxes, have general questions answered, etc. from one customer service counter. Additionally, the marriage application software and internal record keeping system is scheduled to be re-written and will include a process for interactive forms available on the Internet and possibly on computers located in kiosks in county courthouses and other county facilities.

VII. SPACE NEEDS

The current space in the Duluth and satellite offices is adequate. There has been discussion of a Sheriff's "sally port" being constructed outside the Torrens Division. In order to transport prisoners to upper level court rooms, access to the elevator is required. This will require relocation of the Torrens Division.

The County Recorder has approximately 3,000 historical books of record that are stored in three locations: the Duluth Courthouse attic, the old county jail and in the Recorder's mezzanine storage area. Plans are in place to move the books from these locations to a new document storage facility under construction at the county laundry facility. Once this takes place valuable mezzanine storage space will be available.

VIII. TECHNOLOGY PLAN

Technology needs are addressed throughout the plan. Current technology including ATS, on-line access to real estate records and GIS is on-going and MIS is aware of all of them. The Recorder's Office will begin planning for the 2009 implementation of electronic recording, eRecording.

IX. PURCHASING PLAN

The Recorder's Office does not anticipate any major purchases outside of our regular, on-going PC computer replacement plan and on-going back file imaging conversion.

X. WORKFORCE PLAN

The Recorder's Office will begin working with the Civil Service Department on their departmental reorganization in anticipation of the 2009 roll-out of eRecording. The reorganization will require additional flexibility in job classification and duties in order to streamline services and staffing. This is necessary as the department is facing a number of key retirements in this same period.

XI. CHALLENGES

There are challenges due to a decrease in revenue reflected from recorded transactions and also related to a decline in document copy revenue. The performance measures that a county recorder must meet are specified in state statute-*chart located on page four*. Any significant reduction in revenue, funding, or staffing levels will delay completion of the real estate document imaging back file conversion, GIS, and/or the turn around time to process a transaction.

Other challenges:

- private sectors dependence on the office as real estate transactions are become more complicated
- balancing privacy issues and access to government records
- ingrained county culture that, at times, appears to be risk adverse and change resistant
- loss of skilled professionals due to retirement
- direct/indirect cost to provide a defined level of service through out a large county

Challenges, however, do provide opportunity and can test an organization's character and provide a "spring board" to proactive change. Challenges will be over come by implementing realistic goals and objectives.

IX. 2008/2009 OBJECTIVES AT CURRENT FUNDING LEVELS

Commissioner Priority Area	2008/09 Department Goal	Related Department Objective(s)	Tactics, Initiatives, Action Steps	Measures
Efficient, Effective Government Facilitate Economic Development	To expedite and enhance reproduction, archiving of recorded real estate documents and to enhance record retrieval and reproduction methods	Continue to implement efficiencies and quality improvements Continue to increase access to public records through the use of technology Meet/exceed requirements as defined in Minnesota statutes Free up much needed courthouse space by moving historical books, etc. off site to a new record storage facility	Image and post on-line all real estate documents dating back to 1970 Incorporate eRecording Enhance on-line access to real estate records utilizing GIS/county portal concept Analyze lost revenue due to on-line access to imaged documents	Complete imaging/posting of documents dating back to 1970 Develop and implement eRecording Monitor/ track on-line access traffic. Review document copy fee & on-line access fee Move archival records to secure off-site storage facility Recover/repair worn out book covers/bindings
Efficient, Effective Government	Evaluate the cost/effectiveness of the Uniform Commercial Code (UCC) Division	Balance the need for the service against the service delivery cost Stream line operations	Compare the service delivery aspect of filing locally or filing electronically with the Secretary of State	Track monthly UCC transactions Survey local UCC customers
Efficient, Effective Government	Provide vital record services in a timely and professional manner and maintain quality preservation of the vital records	Provide access to vital records effectively and efficiently	Re-write the marriage application program and integrate into the current data base Create on-line application process	Monitor business conducted in vital records offices Educate public to utilize on-line services
Efficient, Effective Government	Promote a professional work environment in which customers/employees are valued and treated with respect	Commitment to service excellence Valued employees are motivated employees	Involve staff in the decision making process Support professional development	Monitor employees, customers needs Utilize training programs & surveys