



June 9, 2020

Mr. Daniel Cronin, Chair  
DuPage County Board  
421 N. County Farm Road  
Wheaton, IL 60187

Dear Mr. Cronin:

We are pleased to provide you with our report “Organizational Assessment and Benefit Analysis for Consolidating the County Clerk and County Recorder of Deeds Offices”.

The County Board passed a resolution in November 2019 (CB-R-0403-19) to place a binding referendum on the November 3, 2020 general election ballot seeking to eliminate the Office of the DuPage County Recorder of Deeds and merge its functions into those of the DuPage County Clerk. This analysis addresses the costs and benefits of the proposed merger.

We appreciate the cooperation of the County Clerk and County Recorder, as well as their staff, in providing the information needed for this analysis.

Please do not hesitate to contact me at 847-404-0030 or at [jwolf@mgtconsulting.com](mailto:jwolf@mgtconsulting.com) should you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Jerrold Wolf". The signature is fluid and cursive, with the first name being more prominent.

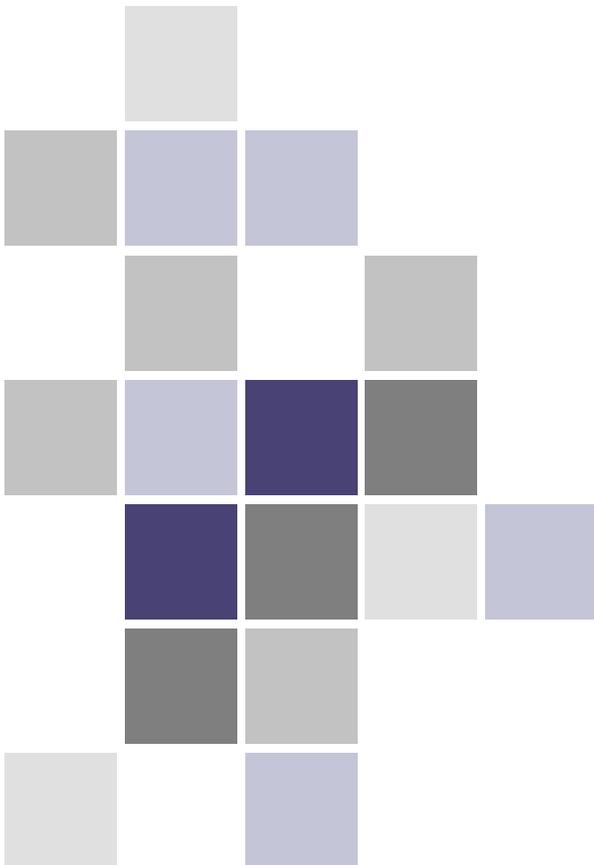
Jerrold Wolf, Director  
MGT Consulting LLC



ORGANIZATIONAL ASSESSMENT AND BENEFIT  
ANALYSIS FOR CONSOLIDATING THE COUNTY CLERK  
AND COUNTY RECORDER OF DEEDS OFFICES

DUPAGE COUNTY, ILLINOIS

**June 9, 2020**



Jerry Wolf  
Director, Financial Solutions Group  
[jwolf@mgtconsulting.com](mailto:jwolf@mgtconsulting.com)  
[www.mgtconsulting.com](http://www.mgtconsulting.com)

## EXECUTIVE SUMMARY

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DuPage County government has actively pursued opportunities to streamline government operations, improve efficiency, and eliminate operational redundancies. In 2011, the County created the Accountability, Consolidation, and Transparency (ACT) Initiative to identify opportunities for consolidating offices and services.

### COUNTY BOARD RESOLUTION

The County Board passed a resolution in November 2019 (CB-R-0403-19) to place a binding referendum on the November 3, 2020 general election ballot seeking to eliminate the Office of the DuPage County Recorder of Deeds and merge its functions into those of the DuPage County Clerk. The merger would take place by November 30, 2022.

The Board resolution also included the following provisions:

WHEREAS, it is anticipated a merger of the DuPage County Clerk and DuPage County Recorder of Deeds could save the County hundreds of thousands of dollars annually through a more efficient provision of services while also centralizing record-keeping and improving customer service; and

WHEREAS, to help develop a blueprint for optimizing consolidation efforts, to provide greater efficiencies, higher accountability, increased transparency, effective use of technology, to foster a culture of collaboration, cooperation, and reduce headcount over time, all resulting in a reduced burden on the taxpayers of DuPage County, the County Board will commission an independent study to review and create an operational plan, to be delivered to the County Board and available for public review at the soonest possible date;

The County issued a Request for Proposal on January 22, 2020 to address the following:

DuPage County has been operating with separate offices for the County Clerk and the County Recorder function. The County is searching for a consultant to provide a study to identify the benefits, cost savings, efficiencies, and better outcomes for the consolidation of these two offices under one elected official.

DuPage County's high-level objectives for the study:

- ◆ Identify current state of the two offices and future state with a consolidated office.
- ◆ Identify opportunities that would make the services delivered by both offices more cost-effective and efficient while maintaining the current excellent levels of service.
- ◆ Develop a draft transition roadmap plan for a potential consolidation, including, but not limited to, people, processes, and systems.
- ◆ Deliver the draft study to appropriate county staff for review and accuracy.

- ◆ Present the draft study to the County Board.
- ◆ Finalize the study incorporating the County Board’s feedback.

This report addresses these high-level objectives.

## METHODOLOGY

To address these objectives, MGT used the following tasks:

1. Project Management
2. Understand the Clerk and Recorder Operations in DuPage County
3. Meet with Elected Officials
4. Survey Peer Counties
5. Survey Title Companies
6. Analyze Data and Develop Recommendations

The COVID-19 restrictions required MGT to conduct all interviews and review documents via phone and electronic media.

## KEY CONCLUSIONS

Key conclusions from the project include:

- ◆ DuPage County Clerk and Recorder offices are already productive and cost efficient compared to the two largest counties in Illinois that have already merged. DuPage County staff process more transactions per employee than McLean County and Peoria County. While these counties are significantly smaller than DuPage County, they are the largest counties to have completed mergers.
- ◆ Merging the two offices in DuPage County could ultimately provide for more efficient provision of service, but just combining the staff of the two offices will not make the operations more efficient or save the County hundreds of thousands of dollars annually.
- ◆ We believe increased efficiencies are possible through:
  - Improved use of technology for vital records requests and Clerk/Recorder data transfers
  - Cross-training of staff in the two offices to address peak service periods
  - Review of physical space needs
  - Designating specific resources to be responsible for administrative functions

The Clerk stated:

“As was done in the cases of the traditional County Clerk’s office and the Election Commission, the Clerk’s intent would be to maintain existing organizational structures and staff of the Recorder’s office. No staff were let go from either office upon the Clerk’s

assumption of leadership. In the traditional County Clerk's office, three experienced former employees who had resigned in anticipation of the change in office-holder were rehired, including the previous Chief Deputy, who was rehired to the position of Deputy Clerk and continues to serve successfully in that position. In the Election Division, the previously vacant Election Manager position was filled by internal promotion of a long-serving and knowledgeable employee. One clear lesson from the Clerk's first year and a half in office is the value of experienced staff and institutional knowledge, and the plan would be to retain any employees of the current Recorder who would like to stay on."

Over 90 percent of the combined expenditures in the two General Fund appropriations (4200 and 4300) are for personnel. Maintaining all staff will not result in significant savings. There is a likelihood that several Recorder staff will retire in the next few years. These retirements could result in a loss of institutional memory. While the current will retire at the end of the current term, the Recorder position itself would not be vacated until FY 2023.

The act of simply merging the two offices under the County Clerk will not by itself save significant resources for the County in the near-term. Merging the two offices could result in efficiencies and economies in the long-term by addressing issues such as:

- ◆ Cross-training of staff so that employees can assist the public on a wide-range of current Clerk and Recorder transactions and activities
- ◆ Developing a succession plan in anticipation of employee retirements in the Recorder's Office
- ◆ Adding Information Technology resources in the Clerk's Office to increase the percentage of public requests handled electronically
- ◆ Optimizing the space assigned to the two offices
- ◆ Creating a senior financial manager position for budgeting and accounting functions

These conclusions are presented in more detail in the report.

# DUPAGE COUNTY, ILLINOIS

## ORGANIZATIONAL ASSESSMENT AND BENEFIT ANALYSIS FOR CONSOLIDATING THE COUNTY CLERK AND COUNTY RECORDERS OFFICES

JUNE 9, 2020

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## INTRODUCTION

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In 2011 DuPage County began to examine areas where it could optimize governmental operations. The County Board created the Accountability, Consolidation, and Transparency (ACT) Initiative. ACT's goals were to improve efficiency, reduce duplication, and encourage resource sharing across County government. DuPage County has reduced the taxpayer burden by consolidating offices and services.

The County Board is now considering consolidating the County Clerk and Recorder offices as the next step in this process.

## OBJECTIVES

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DuPage County sought a study for the consolidation of the County Clerk's Office and the Recorder's Office in order to provide voters with sufficient information to make a determination. The County has been operating with separate offices for the County Clerk and the County Recorder. The County requested a study to identify the benefits, cost savings, efficiencies, and better outcomes gained by consolidating these two offices under one elected official.

DuPage County's high-level objectives for the study:

- ◆ Identify current state of the two offices and future state with a consolidated office.
- ◆ Identify opportunities that would make the services delivered by both offices more cost-effective and efficient while maintaining the current excellent levels of service.
- ◆ Develop a draft transition roadmap plan for a potential consolidation, including, but not limited to, people, processes, and systems.
- ◆ Deliver the draft study to appropriate county staff for review and accuracy.
- ◆ Present the draft study to the County Board.
- ◆ Finalize the study incorporating the County Board's feedback.

This report addresses these high-level objectives.

## PROJECT BACKGROUND

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Under Illinois statutes, counties with populations exceeding 60,000 may have separate County Clerk and County Recorder offices. The County Clerk is a statutory office, but the County Recorder is not. County boards may create the Recorder's office by ordinance. The duties and responsibilities of each office are defined in statute. Under the Illinois Constitution, voters may create or eliminate any office by county-wide referendum (Article VII, Section 4(c)).

Of the 102 counties in Illinois, 79 counties have populations under 60,000. Many of the 23 larger counties have merged these offices or are in the process of merging. None of the largest ten counties have yet completed such a merger. In DuPage County, (population 922,921), the County Board is asking

the voters on the November 3, 2020 if these offices should be merged. . County Board Resolution (CB-R-0403-19) was passed on November 12, 2019. The resolution states in part:

WHEREAS, it is anticipated a merger of the DuPage County Clerk and DuPage County Recorder of Deeds could save the County hundreds of thousands of dollars annually through a more efficient provision of services while also centralizing recordkeeping and improving customer service.

## COUNTY CLERK

The Office of the DuPage County Clerk is a statutory office. The County Clerk is elected to four-year terms. The County Clerk is responsible for processing vital records requests and issuing a variety of licenses, including marriage, civil union, business, liquor, raffle, tobacco, amusement device, and notary public licenses. The County Clerk is the official recordkeeper for all County Board meetings. The Clerk's Office also compiles up-to-date lists of land parcels in the County, computes appropriate taxes, and certifies this information to the Treasurer for collection.

The County Clerk's Office currently has 42 full-time equivalent (FTEs) personnel. There are 20 in Operations (including the Clerk), and 22 in Elections.<sup>1</sup> In FY 2016, the County Clerk and Election Commission had 19 and 23 FTEs, respectively.<sup>2</sup>

Elections has been part of the County Clerk's Office since 2019. The Commission was dissolved into the County Clerk's Office by vote of the DuPage County Board on January 15, 2019. The County Clerk is now responsible for administering elections for all the cities and towns within DuPage County, as well as for the unincorporated areas. This includes voter registration and election administration. The County has approximately 615,000 registered voters and 930 precincts, with 268 polling places.

Prior to the merger, the Chief Deputy Clerk reported to the County Clerk. The Chief Deputy had one direct report, Deputy Clerk – Operations. In turn, the Deputy had two direct reports, Supervisors over Revenue and Vital Records.

The post-merger organization structure is shown below. The change was the creation of another Deputy Clerk-Elections. This position also reports to the Chief Deputy and oversees all Election activities for the office.

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<sup>1</sup> March 9, 2020 staffing report from County

<sup>2</sup> County Human Resources

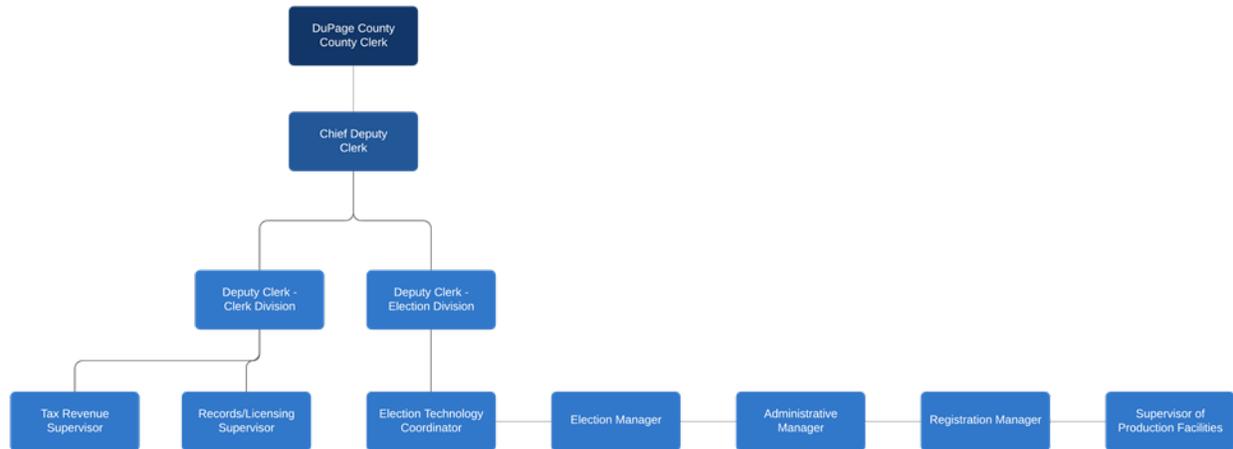


FIGURE 1:  
COUNTY CLERK'S OFFICE ORGANIZATION CHART FOLLOWING MERGER WITH ELECTION COMMISSION

## COUNTY CLERK STAFFING

The County Clerk’s Office has 42 employees (including the Clerk), 22 in Elections and 20 in all other areas. We asked the Office to estimate the number of full-time equivalent (FTE) employees by function. Since service volumes and assignments vary over the course of the year, we asked the Office to estimate average time commitments over the course of the year. The estimated staffing commitments are:

TABLE 1: FULL TIME EQUIVALENT STAFF BY FUNCTION

Function	Number
<b>General Management</b>	5.2
<b>Human Resources</b>	1.0
<b>Financial Management</b>	.8
<b>Procurement</b>	.2
<b>IT Support</b>	.43
<b>Other Management</b>	1.6
<b>Vital Records</b>	5.25
<b>Elections</b>	17.8
<b>Property Tax Rates</b>	1.8
<b>Tax Extensions</b>	1.8
<b>County Board Support</b>	.5
<b>Misc Licenses &amp; Permits</b>	5.6
<b>Total</b>	42

Total staffing of the combined Clerk’s Office did fall from 46 to 43.<sup>3</sup> However, the drop in Elections from 27 to 24 was the elimination of Election Commission officials. The County Clerk and Chief Deputy assumed this role. The Election Commission Officials had received an annual stipend of \$27,500 each.

TABLE 2: COUNTY CLERK STAFFING BY YEAR

	FY16	FY17	FY18	FY19	FY20
County Clerk	19	19	19	19	19
Election Commission	27	27	27		
Clerk - Elections				24	24
Clerk - Doc Storage	0	0	0	0	0
Total Clerk	<u>46</u>	<u>46</u>	<u>46</u>	<u>43</u>	<u>43</u>

## COUNTY CLERK BUDGET

The Novak Report estimated the cost savings of merging the County Clerk and Election Commission as follows:<sup>4</sup>

“Cost savings of approximately \$300,000 would be realized in the long-term by reducing full-time equivalent (FTE) employees through attrition.”

MGT asked the County Clerk if the merger with the Election Commission saved the County money. In her view, the Clerk reported that the Election Commission had been underfunded and understaffed for many years prior to the merger. Election Commission expenditures varied considerably by year and were correlated with election cycles, not necessarily to savings initiatives. For example, expenditures were 64.9 percent higher in 2016, a presidential election year, than in 2017. Expenditures for this year are estimated to be 61.6% higher than in 2019.

TABLE 3: ANNUAL COMPARISON OF ELECTION COMMISSION EXPENDITURES

Year	2016 Versus 2017	2019 Versus 2020
Presidential (2016, 2020)	\$5,755,721	\$5,873,756
Non-Presidential (2017, 2019)	\$3,491,218	\$3,634,855
Difference	\$2,264,503	\$2,238,901
Percent Difference	64.9%	61.6%

<sup>3</sup> County budgets; differs from current staffing or FTE estimates

<sup>4</sup> 2017 report by the Novak Consulting Group, “Feasibility Study -Election Commission and County Clerk’s Office”

The average annual expenditures during four-year cycles were:

TABLE 4: AVERAGE ANNUAL ELECTION EXPENDITURES BY FOUR YEAR CYCLE

Period	Annual Average
2004-2007	\$4,092,120
2008-2011	\$4,837,933
2012-2015	\$4,560,468
2016-2019	\$4,212,903
16 Year Average	\$4,425,856

The County Clerk/Elections merger was not expected to result in immediate savings according to the Novak report. “Savings can be realized in the long-term by eliminating redundant positions through attrition.”<sup>5</sup>

The following table presents the actual expenditures or budget (FY 19 and FY 20) for the components that now comprise the County Clerk’s Office:<sup>6</sup>

TABLE 5: ANNUAL EXPENDITURES OR BUDGET BY YEAR – INCLUDING ELECTION RELATED AREAS

	FY16	FY17	FY18	FY19	FY20
County Clerk	\$ 1,278,989	\$ 1,227,939	\$ 1,385,962	\$ 1,100,383	\$ 1,116,880
Election Commission	5,755,721	3,491,218	4,932,578		
Clerk - GIS	99,405	136,925	162,593	165,434	152,028
Clerk - Elections				3,634,855	5,873,756
Clerk - Doc Storage	67,397	87,622	41,665	99,530	99,530
Clerk - Elections IMRF & Soc Sec	-	245,949	269,474	250,868	274,864
Total Clerk	\$ 7,201,512	\$ 5,189,653	\$ 6,792,272	\$ 5,251,070	\$ 7,517,058

Total expenditures rose from \$7.2 to \$7.5 million, or about 4 percent.

In the Clerk’s view, the merger of the Clerk and Election Commission has achieved some level of savings in four areas:

- ◆ Elimination of three Commission stipends – total of \$82,500 per year
- ◆ Reduction in the use of outside legal counsel<sup>7</sup>
- ◆ The Clerk Division’s bookkeeper absorbed additional financial duties when an administrative assistant resigned
- ◆ Clerk Division staff were cross-trained and assisted with Election Day duties, reducing expenditures on temporary employees

<sup>5</sup> Novak Report, page 16

<sup>6</sup> For the County Clerk and County Recorder, expenditures and budgets taken from the County’s annual budget document. Actual expenditures used when available.

<sup>7</sup> According to the County Clerk, the State’s Attorney now handles some legal work for Elections, but the State’s Attorney does engage some outside counsel.

The following table presents the County Clerk’s Office without Election Commission and Clerk-Election information. It shows an increase from \$1.4 to \$1.6 million from FY 16 to FY 20, or about 14 percent. Pre-merger spending was \$1.9 million versus the current budget of \$1.6 million.

**TABLE 6: ANNUAL EXPENDITURES OR BUDGET BY YEAR – EXCLUDING ELECTION RELATED AREAS**

	FY16	FY17	FY18	FY19	FY20
County Clerk	\$ 1,278,989	\$ 1,227,939	\$ 1,385,962	\$ 1,100,383	\$ 1,116,880
Clerk - GIS	99,405	136,925	162,593	165,434	152,028
Clerk - Doc Storage	67,397	87,622	41,665	99,530	99,530
Clerk - Elections IMRF & Soc Sec	-	245,949	269,474	250,868	274,864
<b>Total Clerk</b>	<b>\$ 1,445,791</b>	<b>\$ 1,698,435</b>	<b>\$ 1,859,694</b>	<b>\$ 1,616,215</b>	<b>\$ 1,643,302</b>

## COUNTY CLERK OPERATIONS

The Clerk does not believe the merger negatively impacted operations or service quality.

# COUNTY RECORDER

The Recorder is the official land records manager for the County. The Recorder is responsible for recording, archiving and retrieving all documents submitted by the public to be recorded, the most prominent being mortgages, deeds and liens. The main responsibility of the Recorder is to record all documents transferring land in the County to establish legal ownership. Deeds are recorded and placed on record in the Recorder's Office. Mortgage and trust deeds, assigned when an owner borrows money, are also recorded. The documents are indexed and cross-referenced, so that they can be retrieved by knowing the approximate date of the transaction or the name of the buyer or seller. The Office also maintains records of all subdivisions platted within the county. A subdivision plat is a detailed map which defines such specifics as lot sizes, lot number, outside boundary lines, and utility easements.

By statute, counties with populations under 60,000 have combined County Clerk and Recorder offices. In counties over 60,000, the Recorder is not required to be elected by the public. Counties over 60,000 can opt to elect this position. DuPage County has opted for an elected Recorder.

Of the 23 Illinois counties over 60,000 population, some have merged the County Clerk and Recorder offices. Several are in the process or are considering merging.

## COUNTY RECORDER STAFFING

Through FY 2019, the staffing in this office had been consistent. The current staff is lower than last year.

TABLE 7: COUNTY RECORDER STAFFING BY YEAR

Full-Time Employees	FY16	FY17	FY18	FY19	FY20
<b>Recorder</b>	24	24	24	24	22
<b>Recorder Doc Storage</b>	8	8	8	8	4
<b>Recorder GIS</b>	2	2	2	2	0
<b>Total Recorder</b>	34	34	34	34	26
FY 16-19 data is from budgets; FY 20 is actual per Recorder as of May 28, 2020					

We asked the Office to estimate the number of full-time equivalent (FTE) employees by function. Since service volumes and assignments vary over the course of the year, we asked the Office to estimate average time commitments over the course of the year. The estimated staffing commitments are:

TABLE 8: FULL-TIME EQUIVALENT STAFF BY FUNCTION

Function	Number
General Management	3.0
Human Resources	.25
Financial Management	1.0
Procurement	.50
IT Support	1.0
Other Management	2.0
Record Documents	9.9
Research & Phone Queries	4.2
Scanning & Data Entry	2.6
Internet & Plats	1.55
<b>Total</b>	<b>26.0</b>

## COUNTY RECORDER BUDGET

TABLE 9: COUNTY RECORDER EXPENDITURES OR BUDGET BY YEAR – ALL AREAS

Expenditures	FY16	FY17	FY18	FY19	FY20
Recorder	\$ 1,659,942	\$ 1,572,743	\$ 1,510,899	\$ 1,489,200	\$ 1,538,324
Recorder Doc Storage	496,620	529,114	633,529	841,700	969,188
Recorder GIS	96,384	126,214	94,663	205,791	211,244
Recorder IMRF & Soc Sec	364,061	334,356	322,208	341,045	328,653
<b>Total Recorder</b>	<b>\$ 2,617,007</b>	<b>\$ 2,562,427</b>	<b>\$ 2,561,299</b>	<b>\$ 2,877,736</b>	<b>\$ 3,047,409</b>

Total expenditures (or budget) increased by \$430,000, or about 16% from FY 16 through FY 20. The largest source of the increase was in the Document Storage Fund. This fund is supported by dedicated fees and used for automation-related initiatives. During this period, the Office invested funds to complete the digitization of all records back to 1961, and deed documents back to 1935.<sup>8</sup>

Removing the expenditures of the Document Storage Fund shows that total expenditures have not increased, even with annual salary increases. Overall expenditures fell by about 2 percent over the period.

<sup>8</sup> County Recorder, March 19, 2020

**TABLE 10: COUNTY RECORDER EXPENDITURES OR BUDGET BY YEAR – EXCLUDING DOCUMENT STORAGE**

Expenditures	FY16	FY17	FY18	FY19	FY20
Recorder	\$ 1,659,942	\$ 1,572,743	\$ 1,510,899	\$ 1,489,200	\$ 1,538,324
Recorder GIS	96,384	126,214	94,663	205,791	211,244
Recorder IMRF & Soc Sec	<u>364,061</u>	<u>334,356</u>	<u>322,208</u>	<u>341,045</u>	<u>328,653</u>
Total Recorder	<u>\$ 2,120,387</u>	<u>\$ 2,033,313</u>	<u>\$ 1,927,770</u>	<u>\$ 2,036,036</u>	<u>\$ 2,078,221</u>

## PEER COUNTY COMPARISONS

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As part of our analysis, we compared DuPage County (population 922,921) to two counties that have already merged the County Clerk and Recorder offices. We selected McLean County (population 171,517) and Peoria County (population 179,179) for comparisons. McLean County's merger took effect on December 31, 2013. Peoria County's merger took effect on December 1, 2016. Of the largest 13 counties in Illinois, Peoria and McLean are the only ones that have completed mergers.<sup>9</sup>

TABLE 11: 13 LARGEST COUNTIES IN ILLINOIS

County	Population (7/1/19)
Cook County	5,180,493
DuPage County	922,921
Lake County	700,832
Will County	692,310
Kane County	534,216
McHenry County	308,570
Winnebago County	284,081
Madison County	264,461
St. Clair County	261,059
Champaign County	209,983
Sangamon County	195,348
Peoria County	179,179
McLean County	171,517

There were two objectives for these comparisons:

- ◆ Determine if the mergers saved money for the counties
- ◆ Identify the process each county followed in merging the offices

We contacted each County Clerk and provided lists of questions about budgets, expenditures, staffing, and operations. We conducted phone interviews with both County Clerks.

### PEORIA COUNTY

According to the County Clerk, the primary objective for the merger was to save money. The Clerk estimated that the savings are about \$250,000 per year, achieved by eliminating three positions: Recorder, Chief Deputy Recorder, and a staff position. With a current population of 179,179, that would be a savings of \$1.40 per capita.

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<sup>9</sup> Population data from US Census as of July 1, 2019

## ORGANIZATION STRUCTURE

Prior to the merger on December 1, 2016 (the County’s fiscal year begins on January 1st), the respective organization charts as presented in the annual budget were:

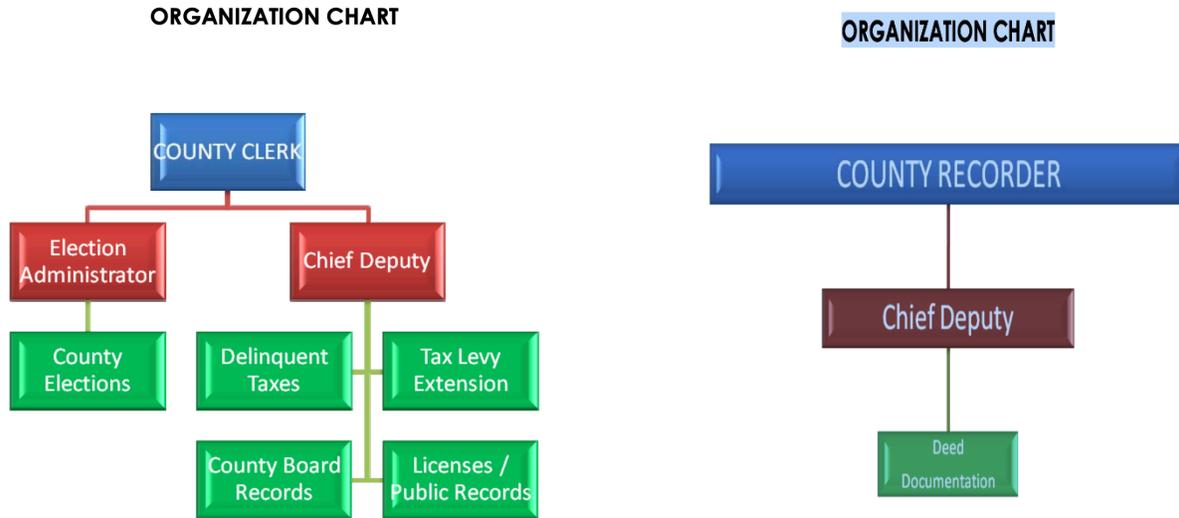


FIGURE 2: ORGANIZATION OF THE PEORIA COUNTY CLERK’S OFFICE AND RECORDER’S OFFICE PRIOR TO MERGER

Effective May 15, 2015, the County Clerk stopped overseeing elections. As part of a 2014 referendum, citizens voted to expand the City of Peoria’s Election Commission by absorbing the County’s counterpart which had been responsible for the unincorporated areas. The Election Commission is an independent board with five commissioners plus 5 FTE staff. The County Board approves the Commission’s budget.

The post-merger organization structure is:

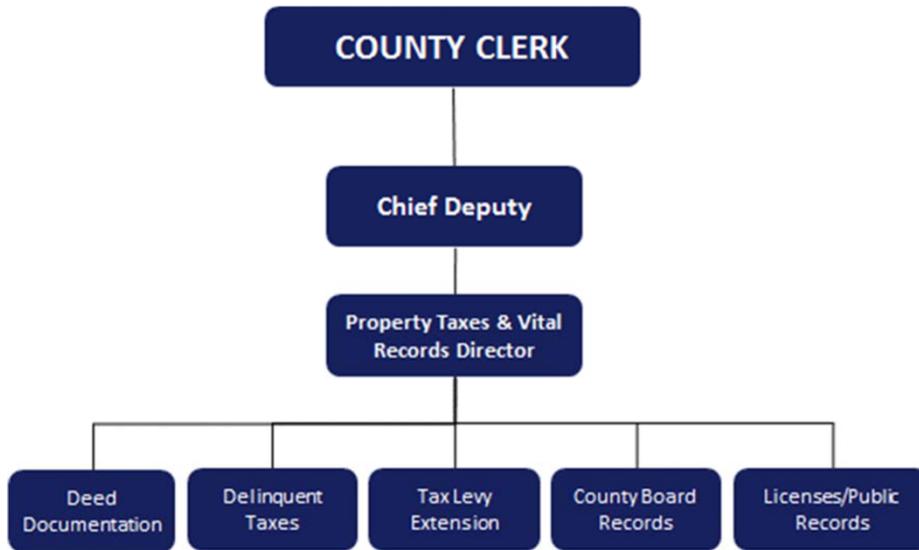


FIGURE 3: ORGANIZATION OF THE PEORIA COUNTY CLERK’S OFFICE AND RECORDER’S OFFICE FOLLOWING MERGER

In FY 2016, the County Clerk had 10 Full-Time Equivalents (FTE) and the County Recorder had 8. Comparisons of staffing are presented below.

TABLE 12: CHANGES IN PEORIA COUNTY STAFFING BY YEAR

	County Clerk	County Recorder	Total	Comments
<b>FY 2015</b>	12.0	8.0	20.0	
<b>FY 2016</b>	10.0	8.0	18.0	Reduction due to attrition and transfer to Election Commission
<b>FY 2017</b>	15.0	6.0	21.0	Recorder’s staffing shown in FY 17 budget but double-counted so total is really 15.0
<b>FY 2018</b>	15.0		15.0	One unfilled position so total is really 14.0
<b>FY 2019</b>	14.15		14.15	
<b>FY 2020</b>	13.0		13.0	Difference between FY 2017 and FY 2020 is the removal of two positions: Recording Deputy and Deputy Clerk <sup>10</sup>

<sup>10</sup> Per Peoria County Clerk

## BUDGETS

Annual expenditures for the offices are shown below:

TABLE 13: PEORIA COUNTY ANNUAL EXPENDITURES OR BUDGET INFORMATION

	<u>Expenditures</u>					
	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
County Clerk	\$ 608,696	\$ 635,238	\$ 801,294	\$ 800,437	\$ 800,622	\$ 867,450
Recording Automation Fund	79,552	563,373	310,397	206,058	138,224	161,320
Recorder of Deeds	<u>1,047,022</u>	<u>360,619</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	\$ 1,735,270	\$ 1,559,230	\$ 1,111,691	\$ 1,006,495	\$ 938,846	\$ 1,028,770

The difference between FY 2016 and FY 2017 (the first full year of the merged offices) is about \$450,000. The entire amount is not a “cost savings” as noted by the following:

TABLE 14: PEORIA COUNTY ESTIMATE OF SAVINGS FROM MERGER

Item	Savings	Not Savings
<b>Personnel</b>	Personnel savings were estimated at about \$250,000 (three positions).	
<b>Revenue Stamps Purchased</b>		Through FY 2016, the Recorder had included as a budget item the cost of “Revenue Stamps Purchased”. This is no longer included as a budget item. This was budgeted at about \$600,000 per year
<b>Consultant Services</b>		For FY 2016, the County Clerk’s Recorder’s Automation Fund included an expenditure of \$487,343. This appears to have been a one-time expenditure related to complete the digitizing of records back to 1819. For FY 2017, the expenditure was \$174,000. The budgeted amount for FY 2018 was \$79,000. Automation expenditures fluctuate with the number of recordings.

## OFFICE ACTIVITY

The Office provides both County Clerk and Recorder functions.

The total number of recordings and vital records copies is about 45,000 per year. This total varies based on housing finance activity, number of children entering school, and other factors. On a per capita and per employee basis, the data is:

TABLE 15: PEORIA COUNTY ESTIMATED ANNUAL TRANSACTION VOLUME

Total activity	45,000
Transactions per Employee	3,462
Transactions per 1000 Population	251

## MERGER PROCESSES

There were several steps involved in merging the two offices:

- ◆ Office Space: The two offices were in different locations within the County Building but now share one location.
- ◆ Paper Records: The County digitized all records back to 1819.
- ◆ Labor Negotiations: Since employees are represented, the County and union addressed seniority issues related to merging the staff of the two offices.
- ◆ Training: The County Clerk developed a program to cross-train all staff.

## MCLEAN COUNTY

A referendum to place the duties of the Recorder's Office into the County Clerk's Office was passed by the voters of McLean County on November 6, 2012 and took effect December 31, 2013. The County's goals for the merger were to reduce overall costs and increase operating efficiency.

There was a ballot initiative in 2018 to merge the Election Commission with the County Clerk. This referendum failed.

## ORGANIZATION STRUCTURE

The office does not have an official organization chart. Prior to the merger, staffing was 17 (5 in the Recorder's Office and 12 in the County Clerks' office). Total staffing is now 15.

Most staff are cross-trained. Specific assignments noted are:

TABLE 16: TABLE 16: MCLEAN COUNTY CLERK – SPECIALIZED STAFF

Area	Number Dedicated	Comment
Tax Extensions	1	Assists in other areas as needed
Elections	4	
Vital Records	3	Assist in Elections as needed

One is dedicated to Tax Extensions but supports other functions as needed.

## BUDGETS

The following table presents the budgets from FY 2012 through FY 2020 (actual data used when available). The table excludes Elections because the County has not merged Elections with the County Clerk.

TABLE 17: MCCLEAN COUNTY EXPENDITURE AND BUDGET INFORMATION

McLean County, IL	Excluding Elections							
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2019	FY 2020
County Clerk	\$ 239,771	\$ 246,428	\$ 253,176	\$ 268,543	\$ 313,796	\$ 311,152	\$ 323,749	\$ 332,910
County Clerk Legal Records Documentation	-	-	221,770	178,138	190,110	212,757	195,112	196,990
County Clerk Automation Fund			26,134	25,654	26,783	22,537	25,023	25,339
County Recorder	306,193	291,829	-	-	-	-	-	-
Record/County Clerk Doc Storage	32,578	277,966	101,795	62,301	71,330	98,142	110,254	94,640
County Clerk GIS			151,432	146,234	94,439	150,000	180,016	172,759
County Clerk Elections	-	-	-	-	-	-	-	-
Total	\$ 578,542	\$ 816,223	\$ 754,307	\$ 680,870	\$ 696,458	\$ 794,588	\$ 834,154	\$ 822,638

We noted:

- From FY 2013 to FY 2014 (first year of a combined office), Recorder expenditures dropped from \$291,829 to \$221,770, or about 24%. The difference is primarily the reduction of the elected Recorder partially offset by the addition of a Supervisor for Recording Operations.
- From FY 2014 through FY 2020, combined County Clerk and Recorder expenditures have increased from about \$475,000 to about \$530,000, or a total of 12%. This is less than 2% per year.

## OFFICE ACTIVITY

Total activity includes Recorder filings and requests for vital records.

TABLE 18: MCLEAN COUNTY ESTIMATED ANNUAL TRANSACTION VOLUME

Total activity	25,343
Transactions per Employee	1,690
Transactions per 1000 Population	148

Note that the 4 staff dedicated to Elections are excluded from the number of FTEs.

## **MERGER PROCESSES**

The Clerk and Recorder units continue to operate in separate spaces, Main Floor and Mezzanine locations, respectively. There were no changes in space or procedures but staff have been cross-trained to support functions with different processing cycles or to accommodate leaves.

The Clerk noted that the elected Recorder was replaced with a strong supervisor to oversee that part of the operation.

## HOW DOES DUPAGE COUNTY COMPARE TO PEERS

The following tables present data on DuPage County compared to the two peer counties. Transactions per employee in DuPage are higher than the two peer counties. These are limited comparisons and should be treated as such.

TABLE 19: DUPAGE COUNTY COMPARED TO PEERS

	County		
	Peoria	McLean	DuPage
Recorder Employees			26
County Clerk Employees			20
County Clerk Election Employees			22
Total Clerk and Recorder - Exclude Elections	13	15	46
Population	179,179	171,517	922,921
Total activity	45,000	25,343	180,918
Transactions per Employee	3,462	1,690	3,933
Transactions per 1000 Population	251	148	196

Note: Employee counts include the elected Clerk and Recorder; McLean and Peoria transactions from County Clerk; DuPage transactions are from FY 20 Budget for Vital Records requests, Marriage Licenses and Recordings; Population: 7/1/19 US Census

The budget per capita in DuPage County is between the budgets in the peer counties. However, the cost of living in the Chicago Metro area is about 20 percent higher than in downstate communities.

TABLE 20: DUPAGE COUNTY COMPARED TO PEERS

	County		
	Peoria	McLean	DuPage
Total Budget - Recorder			\$ 3,047,409
Total Budget - County Clerk (excludes Elections)			\$ 1,643,302
Total Combined Budget	\$ 1,028,770	\$ 822,638	\$ 4,690,711
Population	179,179	171,517	922,921
Budget Per Capita	\$ 5.74	\$ 4.80	\$ 5.08

## INTERVIEWS WITH TITLE COMPANIES

We contacted Illinois Land Title. The representative stated that they had not received any comments from title companies about degradation in service quality with counties that had combined the offices.

## DUPAGE COUNTY STAFFING

We reviewed the current staffing in each office.

### RECORDER

The number of employees by job title and average length of service with the County Recorder's Office is shown below. The table excludes the elected Recorder, whose tenure is 40.6 years.

TABLE 21: RECORDER'S OFFICE – AVERAGE TENURE BY JOB TITLE

Job Title	Number	Average Tenure
Administrative Specialist	9	17.9
Assistant Recorder/Legal	1	16.7
Chief Deputy Recorder	1	29.8
Computer Operations Managers	1	20.8
Financial Analyst I	1	11.3
Financial Analyst II	1	7.8
Office Assistant	7	2.9
Recorder of Deeds Department Manager	2	34.2
Recorder of Deeds Supervisor	2	23.3
<b>Total</b>	<b>25</b>	<b>15.3</b>

The average service is over 15 years. Many of the personnel in senior positions have over 30 years of service.

### COUNTY CLERK

In the County Clerk's Office, the average tenure is less than that of the Recorder's Office. The Clerk has been in office since January 2019. One of the Tax Revenue Specialists has 30 years of service. There are 19 staff in Clerk – Operations, plus the elected County Clerk. The data for Clerk - Operations is shown below (elected Clerk excluded). Several staff were rehired into the Clerk's Office. The average tenure reflects all service in the office.

TABLE 22: CLERK'S OFFICE – OPERATIONS AVERAGE TENURE BY JOB TITLE

Job Title	Number	Average Tenure
Administrative Assistant	1	0.6
Chief Deputy County Clerk	1	5.0
Deputy County Clerk	1	27.0
Records/ Licensing Supervisor	1	21.4
Records/Licensing Specialist	10	6.7
Tax Revenue Specialist	5	21.7
<b>Total</b>	<b>19</b>	<b>12.1</b>

The average tenure in the Elections Division is similar at 7.6 years as shown below.

TABLE 23: CLERK'S OFFICE – ELECTIONS AVERAGE TENURE BY JOB TITLE

Job Title	Number	Average Tenure
Administrative Assistant	1	3.0
Administrative Division Manager	1	1.4
Assistant Supervisor of Registrations	1	3.0
Deputy County Clerk	1	1.1
Election Coordinator	1	2.9
Election Division Manager	1	17.5
Election Judge Coordinator	1	2.4
Election Technology Coordinator	1	0.5
Executive Assistant	1	2.8
Production Coordinator	2	2.7
Registration Analyst	5	10.0
Registration Division Manager	1	13.8
Supervisor of Judges of Election	1	34.8
Supervisor of Production Facilities	1	5.3
Supervisor of Voting Facilities	1	3.0
Vote by Mail Coordinator	1	2.4
Voting Facility Coordinator	1	18.0
<b>Total</b>	<b>22</b>	<b>7.6</b>

## COMPENSATION

The average compensation in the Recorder's Office is \$54,217 (this excludes the Recorder).

In the Clerk's Office, the overall average is \$54,616 (excludes Clerk). The averages for the Elections and Clerk-Operations Division are \$53,674 and \$55,704, respectively.

## CONCLUSIONS

The County Board asked MGT to address the following questions:

- ◆ Will a merger result in a monetary benefit to DuPage County?
- ◆ What are the estimated benefits?
- ◆ Are there other benefits?
- ◆ Could there be unintended consequences?

### WILL A MERGER RESULT IN A MONETARY BENEFIT?

Over 90 percent of the combined budgets in the two operating funds for the offices (excluding Elections) is devoted to personnel costs. The FY 2020 budgets are as follows:

TABLE 24: CLERK AND RECORDER GENERAL FUND BUDGETS – SHARE OF BUDGET FOR PERSONNEL

	Clerk Operations (4200)	Recorder (4300)	Total
<b>Total Personnel</b>	\$1,098,230	\$1,332,874	\$2,431,104
<b>Total Expenditures</b>	\$1,116,880	\$1,538,324	\$2,655,204
<b>Percent Personnel</b>	98.3%	86.6%	91.6%

Unless the offices reduce headcount and personnel expenditures, the proposed merger will not, as stated in the County’s resolution, “ ... save the County hundreds of thousands of dollars annually through a more efficient provision of services ...” <sup>11</sup>

In DuPage County, both the County Clerk and Recorder assume that the initial savings will result from the retirement of the County Recorder. The current Recorder’s compensation is \$157,863. The DuPage County Clerk stated:

“Should a merger occur under the administration of the current County Clerk, it is intended to be implemented according to a model similar to that which was used in the Election Commission merger. The Recorder’s office Chief Deputy position would be converted into a third Deputy Clerk position, with each of the three divisions having an individual Deputy overseeing its internal operations and all three Deputies reporting to the Chief Deputy and coordinating joint policies and operations across the office as a whole. It is the hope of the Clerk to retain the Recorder’s current Chief Deputy in this position, should he be willing to continue to serve.

As was done in the cases of the traditional County Clerk’s office and the Election Commission, the Clerk’s **intent would be to maintain existing organizational structures and staff of the Recorder’s office**. No staff were let go from either office upon the Clerk’s assumption of

<sup>11</sup> Resolution CB-R-0403-19

leadership. In the traditional County Clerk's office, three experienced former employees who had resigned in anticipation of the change in office-holder were rehired, including the previous Chief Deputy, who was rehired to the position of Deputy Clerk and continues to serve successfully in that position. In the Election Division, the previously vacant Election Manager position was filled by internal promotion of a long-serving and knowledgeable employee. One clear lesson from the Clerk's first year and a half in office is the value of experienced staff and institutional knowledge, and **the plan would be to retain any employees of the current Recorder who would like to stay on.**" [emphasis added]

While the Recorder's retirement may save \$157,863, this amount could be offset by salary increases to current staff. As more experienced staff in the Recorder's Office retire, they may be replaced with personnel with a lower salary. However, as staff in the Clerk's Office gain seniority, their compensation will increase.

The current Recorder is retiring at the end of his current term. However, the Recorder's retirement will not be an immediate salary savings. On November 3, 2020, voters will elect a new Recorder. The referendum states:

Shall the Office of the DuPage County Recorder of Deeds be eliminated, and all the duties and responsibilities of the Office of the DuPage County Recorder of Deeds be transferred to, and assumed by, the Office of the DuPage County Clerk by November 30, 2022.

## WHAT ARE THE ESTIMATED BENEFITS?

As noted above, the Clerk and Recorder compare favorably with the two peers on transactions per employee and budget per capita. (While the budget per capita is near the high end, the cost of living in the Chicago Metro area is about 20 percent higher than in downstate communities.) In summary, staff is productive, and costs would be reduced only if headcount is reduced.

There is a potential benefit from the coordination and cross-training of staff. The Clerk-Elections budget for FY 2020 includes over \$325,000 for Overtime and Temporary Salaries. This amount will vary every year depending on the number and type of elections during the year. Coordination of staff in a combined office could help to reduce, but not eliminate, this amount.

## ARE THERE OTHER BENEFITS?

There could be benefits in other areas such as coordination of administrative functions, a focus on Information Technology, and use of space.

The merger could achieve savings by integrating several administrative functions between the two offices. We asked each office to estimate staff time for various tasks over the course of a typical year. The following table combines this information for the Clerk and Recorder.

TABLE 25: FULL-TIME EQUIVALENT STAFF BY ADMINISTRATIVE FUNCTION

Function	County Clerk	Recorder	Total
<b>General Management</b>	5.2	3.0	8.2
<b>Human Resources</b>	1.0	.25	1.25
<b>Financial Management</b>	.8	1.0	1.8
<b>Procurement</b>	.2	.5	.7
<b>IT Support</b>	.43	1.0	1.43
<b>Other Management</b>	1.6	2.0	3.6
<b>Total</b>	9.23	7.75	16.98

About a quarter of FTEs (16.98 / 68 total staff) are currently involved in administrative functions. There is no “right” level for how much administration an organization should have. As noted above, the offices are productive compared to the two peers. A 2013 study of federal agencies, documented that “corporate services employees” represent, on average, 18% of organization’s total staff.<sup>12</sup> This ranged from 22% for small agencies to 12% for large agencies. Certainly, federal agencies are not a fair comparison for the Clerk and Recorder offices. However, we only use this ratio as an example.

The offices have the opportunity to improve their use of technology. The County Clerk has limited IT resources that focus on Operations. Two Clerk staff spend 10% and 33%, respectively, of their time on Clerk Operations. Technology could address improving data transfers between the Recorder to the Clerk for tax-related records and increasing the level of e-commerce activity by the Clerk for vital records requests. Ultimately, this could improve staff productivity.

The County could address space assignments in the offices. The County Board should direct the Facilities Department to review space needs in each office. The FY 2018 Central Services Cost Allocation Plan identified the square footage assigned to each office. The square footage and space per employee is presented below.

TABLE 26: CLERK AND RECORDER SPACE ASSIGNMENTS

	Square Footage		
	County Clerk	Elections	Recorder
Square Footage	6,991	14,196	10,831
Employees	20	22	26
Space per Employee	350	645	417

Because of the Covid-19 situation, we were unable to physically observe the space. However, we note the following:

<sup>12</sup> PWC: “Understanding Productivity: Federal Government Benchmarking on Corporate Services – 2013”

- ◆ As records are digitized less space is needed for the on-site physical storage of documents
- ◆ As more transactions are completed on-line, there is less need for counter space
- ◆ Peoria County consolidated the two offices in a single location within the County Building.

We recognize that Elections needs space for meetings and storing voter records and equipment. We believe it may be possible to reduce the overall space assignments. This may allow the County to repurpose space within the main building.

## COULD THERE BE UNINTENDED CONSEQUENCES?

There is the potential for several unintended consequences of a merger of County Clerk and Recorder offices.

**First**, the merged department would have a combined budget of over \$10.5 million.

TABLE 27: INDIVIDUAL CLERK AND RECORDER FUND BUDGETS

	FY 2020
Recorder	\$ 1,538,324
Recorder Doc Storage	969,188
Recorder GIS	211,244
Recorder IMRF & Soc Sec	<u>328,653</u>
Total Recorder	<u>\$ 3,047,409</u>
County Clerk	\$ 1,116,880
Election Commission	
Clerk - GIS	152,028
Clerk - Elections	5,873,756
Clerk - Doc Storage	99,530
Clerk - Elections IMRF & Soc Sec	<u>274,864</u>
Total Clerk	<u>\$ 7,517,058</u>

Both the Clerk and Recorder have specific accounting and reporting requirements for internal and external reporting. Specific funds have dedicated fees and require separate budgets and tracking of expenditures. Also, the offices currently have to conduct cost of service studies that comply with State statutes in order to support fee adjustments for recording fees, vital record copies, and marriage licenses.

The current staff assignments for financial management in the two offices is decentralized. In the Clerk’s Office, there are 6 staff with time devoted to Financial Management (ranges from 5% to 40% of their individual time). In the Recorder’s Office, one person has this responsibility. Sharing financial management and reporting among 7 staff could be problematic. There should be a designated finance director for the office.

MGT also recommends that, if merged, the offices maintain their current fund and expenditure tracking as is. Comingling funds may result in challenges if expenditures can't be tie back to specific sources and uses.

**Second**, MGT believes that, if merged, the offices will have difficulty improving efficiency unless it invests in Information Technology.

Not investing in its IT resources could impact future operations and the ability to serve the public. The County should consider options for increasing the use of web-based tools for requesting copies of vital records and filing of documents for recording. These initiatives could include:

- ◆ Public Service Announcements around periods of peak demand (e.g., birth certificates for school registration) on how to do on-line requests
- ◆ Placement of transaction kiosks in County buildings
- ◆ Prominent placement of “how do I get copies or record documents” on the main webpage for each office

The Recorder has 1 full-time IT staff person. There should be a combined IT unit reporting to the Chief Deputy County Clerk. This unit should be charged with working with the County's IT Department to develop and implement strategies focused on data transfers between the Recorder and County Clerk, increasing e-filings for recordings, and internet activities for requesting vital records.

**Third**, the County Clerk and Health Department offer redundant services. Both offer copies of vital records for births or deaths that occurred in the County. This is a statutory service for the County Clerk, but not for the Health Department. Both departments charge \$14 for a birth certificate copy plus \$2 for each additional copy. Customers may order on-line, by mail or in person. If customers order the documents on-line, the link is to a State of Illinois website. There is an additional \$10 third-party fee for ordering on-line.

The FY 2020 Health Department budget projected revenues of \$810,000 for vital record copies, less than 2% of the Department's estimated revenues.<sup>13</sup> Merging this activity with the Clerk's Office could increase annual revenues in the Clerk's office but may require additional staff.

**Fourth**, the County should expect and plan for staff turnover from retirements. The County Clerk stated that “intent would be to maintain existing organizational structures and staff of the Recorder's office”. As indicated in the following table, several retirements could be expected in the foreseeable future. Seven staff in the Recorder's Office have more than 20 years of service. This would represent a loss of institutional memory.

Over half of the employees in the Clerk's Office have less than 5 years of service in the office. It is incumbent upon the County to identify personnel who can be cross-trained and/or prepared for senior positions within the Office, whether they focus on Clerk functions, Recorder functions, or both.

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<sup>13</sup> Page 406 of the County's FY 2020 Financial Plan

TABLE 28: STAFF TENURE IN EACH OFFICE

Number of Staff by Tenure (Excluding Elected Officials)					
Years Since Hire	Recorder	Clerk	Clerk-Elections	Total	Percentage
<5	5	9	16	30	45%
5-10	4	1	0	5	8%
11-15	3	3	2	8	12%
16-20	6	0	2	8	12%
21-30	4	5	1	10	15%
>30	<u>3</u>	<u>1</u>	<u>1</u>	<u>5</u>	<u>8%</u>
Total	25	19	22	66	100%

## RECOMMENDED ORGANIZATION STRUCTURE

This section presents a possible organization chart if the two departments merge. The highlights of this chart are:

- ◆ We recommend that four unit leads report to the Chief Deputy. They are the Finance Director (discussed above), Chief Deputy Recorder, Deputy Clerk – Clerk Operations, and Deputy Clerk – Elections. Each unit lead will have its own direct reports.
- ◆ An IT Operations unit will report to the Chief Deputy County Clerk (Chief Deputy). This unit will be able to address all IT functions within the Clerk’s Office and strive to: 1) enhance data transfers within the Office; and 2) work with County IT to improve websites and increase e-commerce activity.
- ◆ The bottom of the organization chart includes the “Cross Training Group”. Personnel in this group would be cross-trained to handle a multitude of activities that represent traditional Recorder or County Clerk services. This should provide for additional flexibility to address peak periods and minimize disruptions from resignations and retirements.

We recommend that the County settle on an organization structure and then address modification of job descriptions. Job descriptions were not available on-line for all of the positions listed on compensation reports.

The proposed organization chart is presented below.

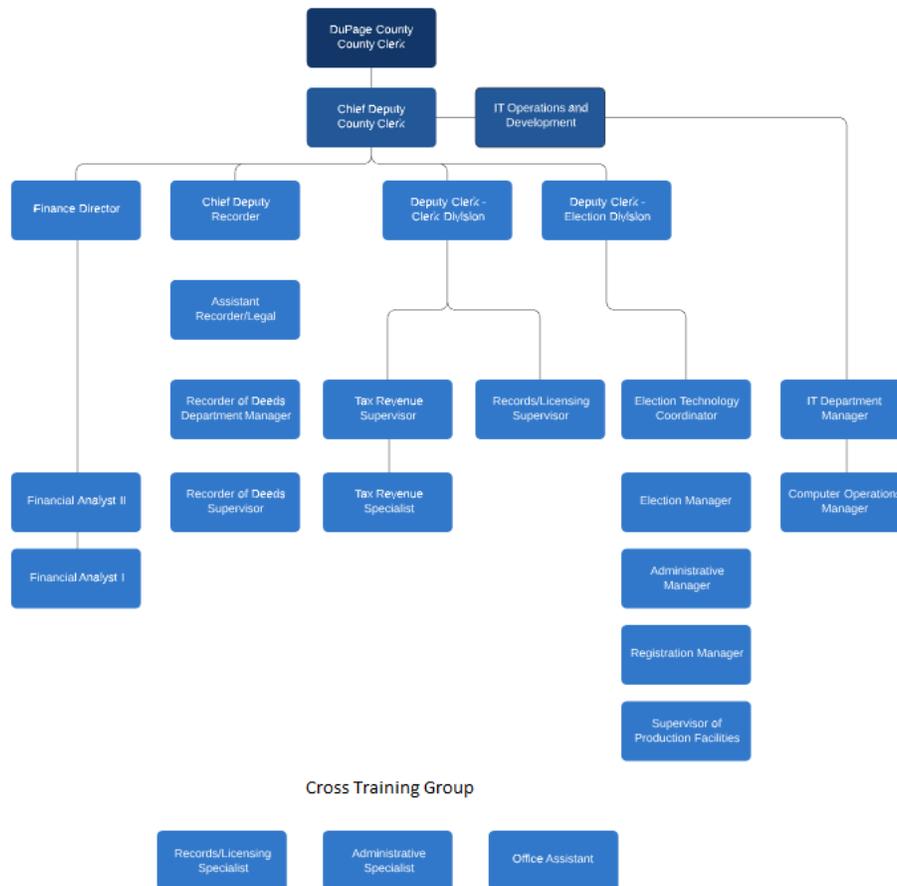


FIGURE 4:PROPOSED ORGANIZATION CHART

## IMPLEMENTATION PLAN

Should voters approve the merger of the two offices, MGT recommends that the County Clerk immediately develop an implementation plan and present the plan to the County Board for approval. The plan should address matters addressed in this report, including but not limited to:

- ◆ Organization structure
- ◆ Labor management issues (blending of seniority)
- ◆ Cross-training
- ◆ Succession plan
- ◆ Staffing requirements
- ◆ Salary adjustments
- ◆ Development of IT plan
- ◆ Space planning
- ◆ Performance metrics