

**Testimony To The  
ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS  
Prepared March 26, 2008 by the  
North Dakota Association of Counties  
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**CONCERNING LAND RECORD PRESERVATION FEE**

Chairman Kaldor and members of the Advisory Commission, thank you for the opportunity to present the compilation of the counties' response to their statutory reporting requirement regarding land record preservation.

The Legislature, in 2001, enacted a \$3 (first page) fee dedicated to county efforts to preserve vital land records. This was designed to carry through on a federally-funded statewide effort prompted by the tragic loss of these records in the Grand Forks flood. Originally, the legislation was set to sunset in June of 2005, and counties were asked to report during the 2003-05 interim (also to the ACIR) on the status of preservation efforts and the possible need for its continuation. The ACIR and the 2005 Legislature concluded that it was appropriate to remove the sunset, but to include a reporting requirement so that future Legislatures would be able to monitor the progress toward the preservation goal.

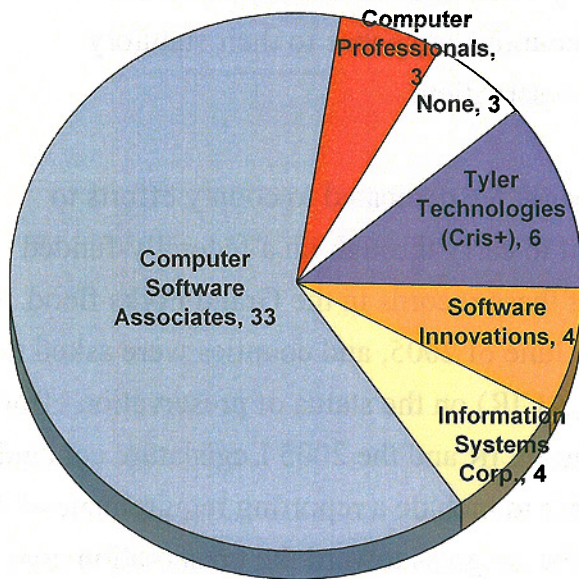
Specifically, the legislation requires that information be provided on how each county used the document preservation funds during the preceding two fiscal years and how the county's use of the document preservation funds has furthered the goal of document preservation. The survey instrument designed to facilitate the collection of this information was presented to this Commission in January. This testimony is the compilation of the survey results.

Several charts and tables are attached to this testimony to detail, by county, the revenues and expenditures of their individual funds and the characteristics of their record preservation systems, however the following statewide summary data may also be helpful in understanding the scope of the efforts involved.

First and foremost, every county has continued the creation of archival copies of every land record on microfilm. All records are duplicated all the way back to their very first records, and all but seven counties create copies on a daily basis going forward. The

seven that create copies on less than a daily basis are those that, for the most part, have been unable to afford the implementation of an automated records management system as yet, and must contract on an annual basis for batch filming of records. Recorders from 45 counties now contract with a firm in Kansas to store their duplicate microfilm files in exhausted underground salt mines. The rest use local bank vaults or similar storage sites.

### County Records Automation



Fifty counties (up from 46 two years ago) have implemented one of five different automated systems of land record management. While they are all similar in function, the system provided by Computer Software Associates has been gradually becoming the predominant choice. The chart to the left shows the distribution of those systems.

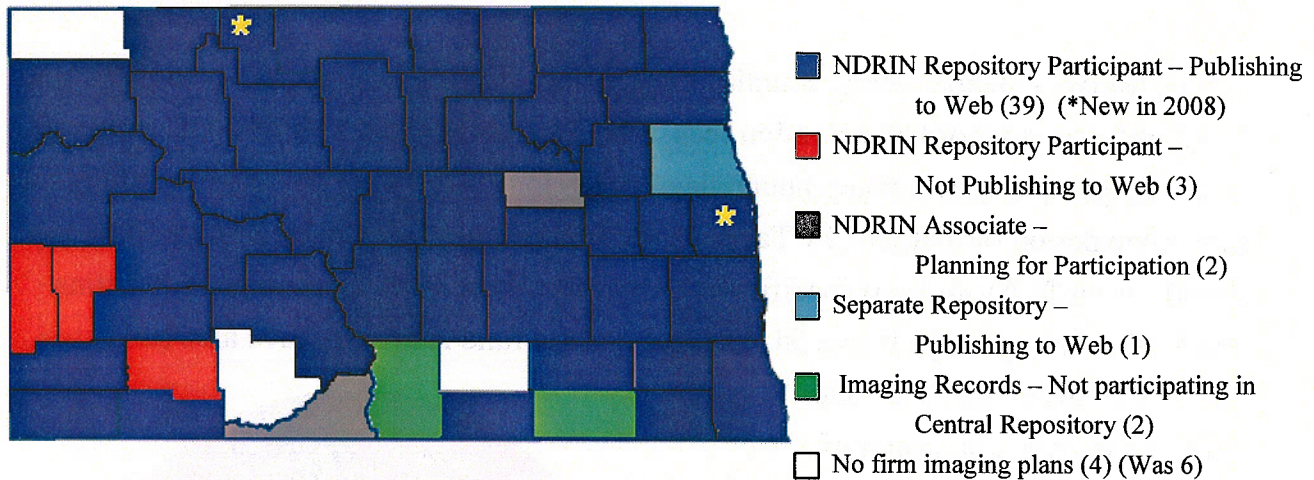
To understand the challenge that some of the smaller counties face; a typical implementation, using the CSA software as an example, costs approximately \$10,000 for software purchase, implementation, training, and specialized equipment. Additionally, if a county lacks sufficient server space, the purchase of hardware may be necessary.

With half the counties collecting less than \$5,000 in preservation fees per year, and factoring in the ongoing costs of microfilming, book repair, and storage, it is easy to see why it takes time for some of these counties to implement such a system. Recently, the NDRIN Joint Powers Counties (discussed below) have developed a grant program to assist counties in making this leap.

Once counties make this move however, we have seen rapid advances in the preservation of, and particularly access to, land records. 45 counties (up from 40 two years ago) have now linked their automated systems into one central repository. This central depository

was created by the County Recorders through a Joint Powers Agreement, and allows them to store a duplicate electronic image of each record immediately to a back-up server in Fargo, publish that image to the World Wide Web, and automatically copy the images to archival microfilm for storage.

### Electronic Imaging Efforts



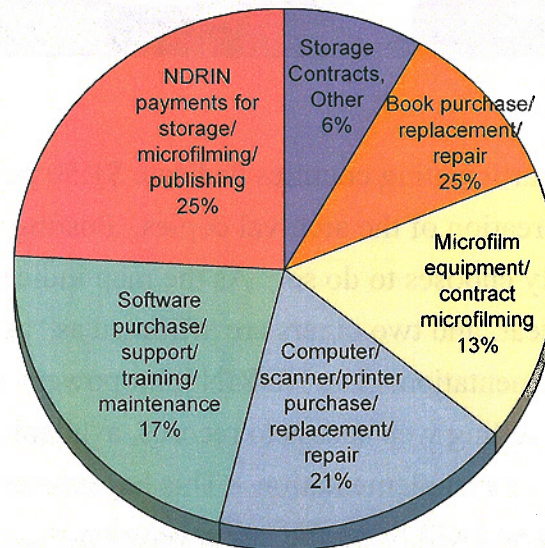
The participating counties dedicate \$1.50 per record for storage in the central repository and creation of the archival copies. Posting to the web is an added (but free) service, if a county chooses to do so. As the map indicates, two counties have begun participation this year, and two others are affiliated as “associate members” as they plan for implementation. The NDRIN joint powers group has decided to make funds, collected from selling web access to records, available to non-participating counties as \$2,000 grants for implementation – This has prompted the new members to move ahead, and they hope will bring the last several on-board soon.

The governing body of the NDRIN joint powers group met shortly after the 2005 Legislative Session, and reviewed their costs and fees in light of the Legislative commitment to maintain the preservation fund. They made the decision to cut in half the fees for access the records available on the web. This allows oil & gas landmen, realtors, appraisers, abstractors and others to view all records imaged thus far, for a one-time set-up charge of \$100 and a monthly service fee of \$25. Certainly a bargain when compared to traveling to each of the 37 counties publishing to the web. Grand Forks also provides a very similar web-publishing service exclusively for their county’s records for a fee of \$100/month and a set-up fee of \$200.

Once a county starts creating electronic images, the process involving new records is fairly straight-forward – going back to capture “old” records in this format however is very time-consuming and can be quite costly. As a result, few counties have their entire record set “imaged” as yet. The chart on page 5 provides a snapshot of the images currently available by county.

In the past two calendar years, counties have collected \$1.06 million (down slightly from \$1.12 million) in record preservation fees. This equates to about 350,000 documents – some one page long, and many hundreds of pages long – at \$3 per document. During this same time period (as detailed by Table 1), the counties have expended \$1.69 million (up slightly from \$1.61 million) specifically to preserve these vital documents – indicating that \$600,000 in prior year special fund and general fund resources have also been

devoted to this effort. The chart to the right gives a snapshot of these expenditures on a statewide basis. The data shows quite clearly, that while the funds are critical to many counties deploying the latest in record preservation technology, they are just as important to the ongoing maintenance of this technology and the long-term protection of the archival copies.



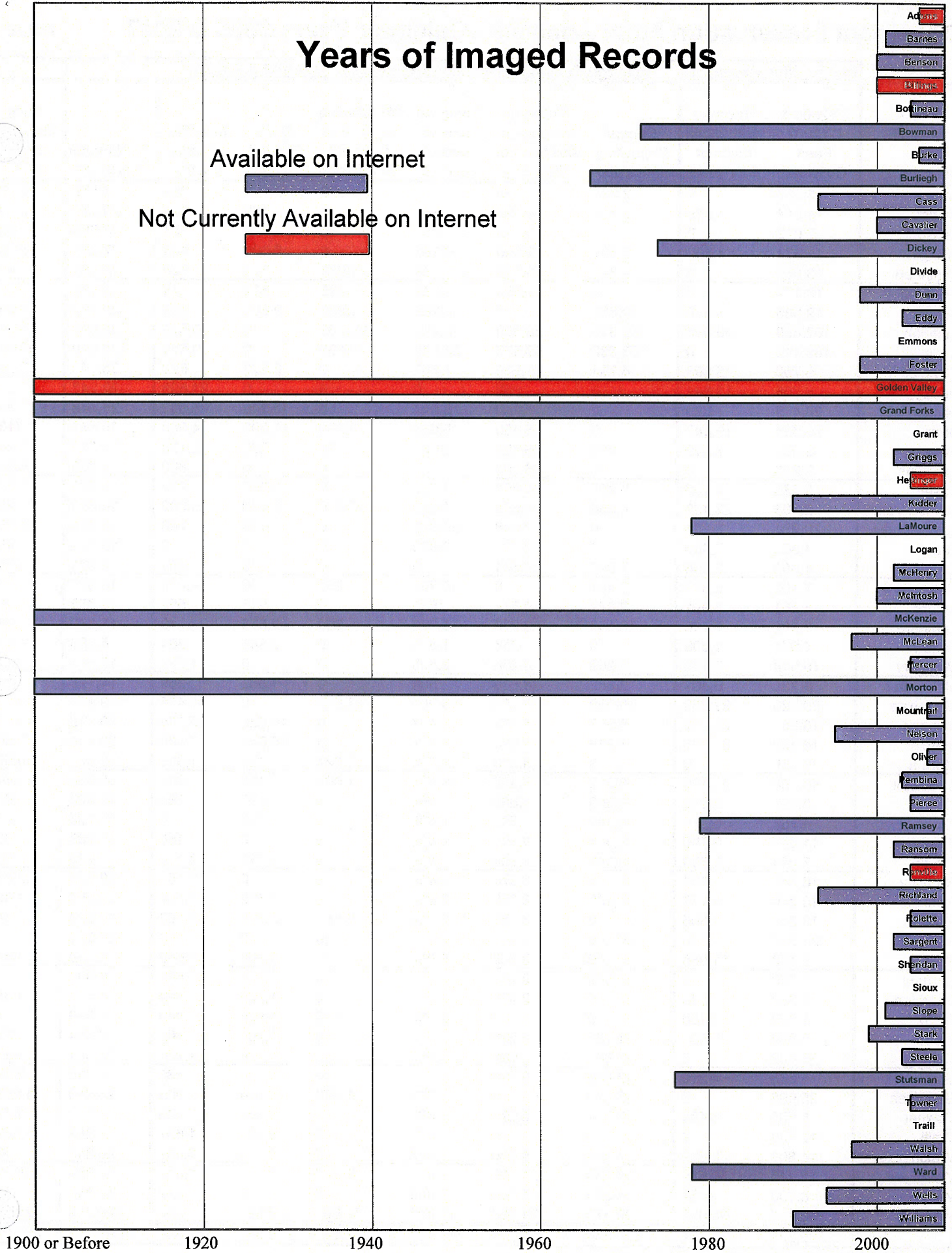
**Statewide Record Preservation Expenditures**

The survey comments, attached to the end of my testimony, are possibly an even clearer indication of the importance of these special funds. Without the record preservation fees dedicated to this purpose, additional property tax revenue would be needed, as these records are too valuable to our economy to let them go unpreserved.

Thank you for the opportunity to deliver the counties' report. If there are any questions at this time, I would gladly attempt to answer them.

# Years of Imaged Records

Available on Internet  
Not Currently Available on Internet



# Document Preservation Fund Analysis - Calendar Years 2006 & 2007

Table 1

	Preservation Revenues		Itemized Record Preservation Expenditures - CY2006 & CY2007								
	CY2006 & CY2007 Fees Collected	Revenue from other funds or prior years	Central Repository Participation	Software Purchase/ Maintenance /Training	Computer Hardware Repair/ Replace.	Microfilming Equipment Contract Microfilming	Book Repair/ Replace	Microfilm Storage & Other	Total Funds Expended	Fund Balanc Jan 2008	
County											
Adams	5,237	0	2,023	0	0	870	0	989	3,882	5,424	
Barnes	14,814	5,259	7,407	8,396	384	0	3,150	736	20,073	12,005	
Benson	7,072	0	0	3,232	1,017	0	0	751	5,000	983	
Billings	12,871	14,400	5,691	7,000	6,100	0	8,000	480	27,271	6,000	
Bottineau	18,585	0	8,347	3,672	2,138	1,073	714	720	16,664	1,484	
Bowman	10,173	0	0	1,259	1,300	495	517	14	3,585	2,072	
Burke	19,835	5,530	10,865	0	3,200	1,000	9,800	500	25,365	4,642	
Burleigh	102,885	90,015	52,316	28,900	18,450	89,709	0	3,525	192,900	28,314	
Cass	188,112	0	93,832	49,573	24,569	3,155	0	2,681	173,810	86,516	
Cavalier	9,750	15,398	4,794	11,900	1,552	0	6,273	629	25,148	2,208	
Dickey	8,706	13,541	0	652	0	0	0	21,595	22,247	7,372	
Divide	20,485	963	0	0	5,697	0	10,249	5,502	21,448	11,338	
Dunn	20,634	19,247	0	8,450	5,958	3,200	17,593	4,680	39,881	(133)	
Eddy	3,501	7,816	916	6,828	1,088	75	220	2,190	11,317	3,243	
Emmons	7,236	0	0	6,106	0	0	0	860	6,966	4,290	
Foster	5,726	5,136	2,493	1,800	2,718	0	3,587	264	10,862	2,686	
Golden Valley	2,198	22,452	4,550	4,500	1,600	6,000	2,000	6,000	24,650	229	
Grand Forks	70,734	8,284	0	7,246	63,876	0	7,128	768	79,018	29,952	
Grant	4,869	7,800	0	2,796	9,873	0	0	0	12,669	492	
Griggs	4,059	2,506	1,970	4,331	0	0	0	264	6,565	2,892	
Hettinger	7,100	8,597	2,401	0	8,254	932	0	4,110	15,697	715	
Kidder	5,361	4,991	2,832	5,514	537	0	911	558	10,352	81	
LaMoure	7,092	7,748	3,546	3,079	5,342	200	2,673	0	14,840	1,316	
Logan	4,674	1,306	0	256	1,614	0	3,846	264	5,980	4,749	
McHenry	10,518	7,119	5,259	8,266	2,535	0	0	1,577	17,637	0	
McIntosh	7,721	6,407	2,882	8,829	586	0	1,562	269	14,128	0	
McKenzie	20,720	99,258	10,360	9,500	25,000	43,642	0	31,476	119,978	2,816	
McLean	18,252	21,467	9,607	14,381	467	0	10,029	5,235	39,719	14,075	
Mercer	14,439	21,095	7,219	3,673	1,117	0	15,645	7,880	35,534	7,503	
Morton	38,799	0	0	8,918	1,715	10,227	120	1,091	22,071	15,570	
Mountrail	46,260	44,590	8,512	7,512	36,717	1,061	25,115	11,933	90,850	21,340	
Nelson	5,397	7,012	2,699	5,000	950	0	3,496	264	12,409	1,924	
Oliver	4,764	6,371	1,382	2,500	5,665	0	1,588	0	11,135	1,478	
Pembina	11,697	6,790	5,905	8,394	4,000	0	0	188	18,487	336	
Pierce	7,074	7,699	3,540	2,536	1,548	0	3,717	3,432	14,773	153	
Ramsey	16,341	5,747	8,175	5,978	5,480	0	0	2,455	22,088	2,409	
Ransom	10,279	5,172	5,039	6,559	1,224	0	1,562	1,067	15,451	1,898	
Renville	13,218	1,805	0	3,083	6,390	2,061	2,387	1,102	15,023	1,149	
Richland	21,501	7,720	10,746	17,401	0	0	0	1,074	29,221	0	
Rolette	3,172	11,968	3,700	2,800	4,000	0	3,000	1,640	15,140	4,511	
Sargent	7,170	0	3,640	2,750	0	0	0	600	6,990	0	
Sheridan	3,984	633	0	2,470	0	0	1,653	494	4,617	1,084	
Sioux *	1,740	4,150	0	0	3,300	500	1,850	240	5,890	540	
Slope	2,850	5,604	1,425	4,326	0	0	2,201	502	8,454	1,274	
Stark	35,499	0	17,863	688	3,569	0	0	1,781	23,901	13,211	
Steele	4,838	4,210	2,438	6,174	0	0	0	436	9,048	2,935	
Stutsman	25,098	0	12,579	0	7,816	1,678	414	1,363	23,850	(14,556)	
Towner	5,655	8,484	2,711	6,273	3,665	0	820	670	14,139	1,742	
Traill	12,138	0	0	0	545	0	5,481	1,657	7,683	13,620	
Walsh	14,808	5,502	7,404	6,630	2,423	0	0	3,853	20,310	376	
Ward	72,245	88,639	37,238	21,489	8,812	91,727	0	1,618	160,884	18,872	
Wells	8,190	5,457	4,005	7,061	2,009	0	0	572	13,647	705	
Williams	59,145	65,809	29,573	31,063	11,397	30,081	22,544	296	124,954	29	
Total	1,065,221	689,697	407,884	369,744	306,197	287,686	179,845	142,845	1,694,201	363,991	

\* Sioux County data is estimated

## Survey Comments Regarding Record Preservation

We have a somewhat large reserve now but the purchase of a new plat cabinet will use most of what's currently in the fund. (Adams)

Keep books (especially index books) in shape as these are used a lot. We've gotten some laminated and it saves them from rips and tears. (Barnes)

Having the fee dedicated to records preservation and not a "budget" item has made a big difference in how we have been able to embrace up to date technology in a smaller county. Thanks for good legislation. (Benson)

We are saving our preservation fund in order to pay for putting the last microfilm documents on computer. (Bowman)

We have had very favorable comments regarding the availability of our records on-line. We would like to continue with the project of imaging our film rolls and have all documents available on-line as soon as possible. This is an ongoing project. (Burleigh)  
We are trying to maintain the preservation of our records. There is staff time that is involved in the preservation that we don't pay out of this fund because we are trying to keep these funds available for further enhancements. (Cass)

In 2006 & 2007, we spent \$17,291 of our document preservation funds as well as additional funds to turn all documents since 1974 (Aperture cards & film) to computer disk and archival film. (Dickey)

We have been hit hard here with a lot of land title workers - our books have taken an enormous hit and I have had to replace many books and pages. (Dunn)

This preservation fund has greatly helped our county get set up for electronic indexing. If we would not have had this fund, our county would not have had the funds to buy the software or equipment. We plan to use this fund in the future to help pay the yearly software support fee and to keep our records scanned up to date. (Emmons)

The county preservation fund has supplemented the costs of purchasing additional equipment. The fund has helped pay the NDRIN fee for an off site storage facility for my counties records and also the microfilming of those records. (Golden Valley)

The funds are needed to keep up-to-date with new technology, ongoing support and equipment. (Griggs)

This fund has been a blessing to our county, and has allowed us to keep up to date and be more efficient with our record keeping. (McIntosh)

Not sure if this is an appropriate avenue to say this but: "A thank you goes out to our ND Legislative Assembly for having the willingness to adopt the a plan for a preservation fund, through which recorders have some funds to assist in the computerization of the real property records." (McLean)

We contracted to have all of the microfilm from 1905 thru 1982 digitized. We contracted in previous years to digitize records from 1982 thru 2000. This was a very large project to undertake and we are finally almost to the end. We have a number of documents that need to be rescanned. 98% of the images are now available at McKenzie County through our computer system and we are in the process of uploading these images to the NDRIN website. We expect to have the upload project completed by April of 2008 with the rescan project to follow. (McKenzie)

Our county commissioners chose to continue keeping papers copies along with the electronic scanning; therefore we do use a lot of money for books and pages. We will also be doing electronic scanning from 1996-2006 that are not microfilmed in the near future. (Oliver)

Other Expenditures: We budgeted \$3000 for the CSA upgrade. The county (General Fund) pays for the books and microfilm storage. (Pierce)

Technology is on-going with changes & updates. If counties are going to keep up with the constant changes and to assure records will always be readable, it is very important that we keep up with these changes and in order to do that you need funds. This money collected from the documents we record helps relieve some of the pressures we face when budgeting. (Ramsey)

We paid the last of our 3 year purchase of software from CSA and also did a update and training. We spent more than was in the account so the rest was picked up by the County (General Fund). (Richland)

I have reserved our preservation funds for two years to replace my 1999 reconditioned copier. (Rolette)

We had our aperture card sent to Microfax to have them scanned. We are still paying for the service which Microfax began in late 2003. The bill was around \$54,000. That's why we have a minus amount in question 9 (Ending Balance). (Stutsman)

The preservation fund has helped our county, along with many smaller counties, be able to purchase equipment, software, etc. to help preserve the documents in our office. (Towner)

"North Dakota is very lucky to have had forward thinking Recorders and Legislators since the flooding in Grand forks. Without the foresight of Recorders and the funding provided by the Legislators; neither the preservation of these county records nor access to records online would be happening. The record preservation fee is both needed and being used in Ward County to continue preservation and bring all records back to the patent online in the very near future." (Ward)

Our county is very interested in digitizing as much of our (old) records as possible. We prefer to do as much of the digitizing in house as possible so we can obtain the clearest, most legible result. Oil activity has kept us busy trying to keep up with daily work so we haven't spent as much time as we would like on our digitizing effort. (Williams)