

**COUNTY OF MADERA
BUDGET UNIT EXPENDITURE DETAIL
BUDGET FOR THE FISCAL YEAR 2017-18**

Department:

**TREASURER-
TAX COLLECTOR (00500)**

Function:

General

Activity:

Finance

Fund:

General

<u>ACCOUNT CLASSIFICATION</u>	<u>ACTUAL EXPENDITURES 2015-16</u>	<u>BOARD APPROVED EXPENDITURES 2016-17</u>	<u>DEPARTMENT REQUEST 2017-18</u>	<u>CAO RECOMMENDED 2017-18</u>
SALARIES & EMPLOYEE BENEFITS				
710102 Permanent Salaries	445,834	569,065	653,768	653,768
710103 Extra Help	67,909	102,121	81,199	81,199
710200 Retirement	146,819	190,897	194,096	194,096
710300 Health Insurance	75,710	113,143	134,255	134,255
710400 Workers' Compensation Insurance	2,420	6,135	6,481	6,481
715000 Other Benefits	1,200	1,200	1,200	1,200
TOTAL SALARIES & EMPLOYEE BENEFITS	739,891	982,561	1,070,999	1,070,999
SERVICES & SUPPLIES				
720300 Communications	2,911	1,400	2,500	2,500
720600 Insurance	105	186	295	295
720800 Maintenance - Equipment	12,173	14,000	14,000	14,000
721100 Memberships	70	400	700	700
721300 Office Expense	27,081	25,000	30,000	30,000
721400 Professional & Specialized Services	177,267	208,799	210,000	210,000
721500 Publications & Legal Notices	3,497	5,500	5,500	5,500
721600 Rents & Leases-Equipment	292	400	12,500	12,500
722000 Transportation & Travel	5,766	7,000	19,000	19,000
740301 Fixed Assets	0	0	0	0
TOTAL SERVICES & SUPPLIES	229,162	262,685	294,495	294,495
TOTAL - TREASURER-TAX COLLECTOR	969,053	1,245,246	1,365,494	1,365,494

TREASURER-TAX COLLECTOR

COMMENTS

The Treasurer serves as the County depository, maintaining and reconciling all bank accounts, and investing all County, School District, and Special District funds contained in the County's co-mingled pool based on safety, liquidity, and yield. Funds are scheduled to mature to meet the cash flow requirements of these entities. The Treasurer also provides guidance when the County issues debt and chairs the County Debt Advisory Committee. The Tax Collector's Office collects secured, supplemental, and unsecured property taxes. The office assists in the maintenance of the Integrated Property Tax Computer System, Megabyte, conducts regular property tax sales of tax-defaulted property, and prepares and collects business license renewal fees, Transient Occupancy Tax (hotel and motel), and the Tourism Business Improvement District Assessments.

WORKLOAD

	<u>Actual 2015-16</u>	<u>Estimated 2016-17</u>	<u>Projected 2017-18</u>
<u>TAX COLLECTOR</u>			
Transient Occupancy Tax Billing Statements	443	564	550
Business Improvement District Billing Statements	443	564	550
Business License Renewals	2,477	2,783	2,700
Secured Tax Statements	55,370	55,903	56,500
Current Secured Reminders	7,729	8,300	8,700
Delinquent Secured Notices	2,200	2,356	2,600
Unsecured Tax Statements	3,486	3,303	3,500
Supplemental Tax Statements	5,270	5,500	5,900
Notice of Impending Powers to Sell	116	88	130
Parcels Published for Sale	109	80	100
Parcels Sold	29	30	40
Annual Unsecured Lien Notices	1,025	1,100	1,300
Unsecured Liens Active	946	1,215	1,400
Mobile Home Tax Clearances	199	187	195
Returned Items and Refunds	823	980	1,200
Active 4-Pay Part Pay Payment Plans – All Other ⁴	250	25	25
Active 5-pay Payment Plans – Secured Taxes ⁴	644	500	400
Check 21 check processing ¹	46,454	48,000	50,000
Phone Calls-Incoming ⁵	N/A	13,300	14,000
Credit Card & E-Check Transactions	3,125	5,000	6,000

TREASURER-TAX COLLECTOR

WORKLOAD (continued)

<u>TREASURER</u>	<u>Actual</u> <u>2015-16</u>	<u>Estimated</u> <u>2016-17</u>	<u>Projected</u> <u>2017-18</u>
Cash Receipts (Permits)	12,091	13,000	13,000
Auditor Warrants Processed (physical checks)	35,143	36,000	40,000
County Payroll Warrants (does not include direct deposit)	4,800	5,000	5,000
County Welfare Warrants	11,761	12,000	12,000

WORK PROGRAM

Journal Entries (Book Transfers)			
School Entries	361	375	400
Auditor Entries	60	70	100
Welfare Entries	138	150	200
Investment Transactions (Sympro/Emphasys)	627	650	675
Bank Transfers (Wire)	345	350	400
Returns (NSF)	217	250	300
Treasury & Bank Ready Deposits ³	1,512	1,000	1,000
Tax Collector Deposits	1,281	1,500	1,700
Check 21 transmissions (checks scanned) ²	42,040	45,000	50,000

(1 & 2): Check 21 transmissions are the scanned, electronic images of individual checks sent to Bank of America via a secure site.

(3): The amount of bank bags sent to the bank were reduced due to the new deposit method no longer requiring the use of bags for department deposits to the Treasury.

(4): The amount of 4-Pay and 5-Pay decreased due to maintenance of accounts who have defaulted on their pay plans.

(5): The department began tracking incoming phone calls as of 7/1/2016.

REVENUE

	<u>Actual</u> <u>2015-16</u>	<u>Estimated</u> <u>2016-17</u>	<u>Projected</u> <u>2017-18</u>
601000 – Trust Revenue	\$1,320	\$1,300	\$1,500
Taxes:			
610901 – Hotel & Motel Tax	2,430	5,000	20,000
Licenses, Permits & Franchises:			

TREASURER-TAX COLLECTOR

REVENUE (continued)

	<u>Actual</u> <u>2015-16</u>	<u>Estimated</u> <u>2016-17</u>	<u>Projected</u> <u>2017-18</u>
620200 - Business Licenses	11,194	15,000	35,000
Fines, Forfeitures and Penalties:			
630401 – Cost of Tax Collection ¹	97,010	95,000	100,000
Charges for Current Services:			
660100 - Asmt & Tax Collection Fees ²	109,510	100,000	190,000
660101 - Property Tax Admin Fee	38,210	50,000	50,000
660231 - Business Improvement District	10,000	10,000	20,000
660704 - Copies	213	500	500
Miscellaneous Revenues:			
673000 - NSF Fees	2,275	3,000	3,000
673903 - Miscellaneous Reimbursements	0	0	0
Other Operating Transfers In			
680200 - Tax Sale Recovery	27,295	100,920	113,437
Services to other Agencies:			
662700 – Other Charges for Services	0	3,000	16,000
662723 - Treasury Admin	<u>617,387</u>	<u>620,000</u>	<u>650,000</u>
Total	<u>\$916,844</u>	<u>\$1,003,720</u>	<u>\$1,199,437</u>

The Licenses & Permits include Business Improvement Tax, Transient Occupancy Tax, and Business License Administrative cost reimbursements. The Charges for Services includes the cost for Property Tax Collection Assessment and Tax Fee, and Property Tax Administration fees that are reimbursed through the revenues collected from various agencies as allowed by law. Operating Transfers In of \$113,437 reflects reimbursement of costs related to the tax sale of delinquent properties from the Delinquent Tax Recovery Fund (6802).

Note:

1. The Cost of Tax Collection was previously accounted for under General Fund Revenues and includes fees collected for tax sale activities.
2. Fees were increased for the Creation of Liens, Lien Releases, and a Research Fee was created for unsecured collection activities.

TREASURER-TAX COLLECTOR

STAFFING

<u>Permanent</u>	2016-17 Authorized		2017-18 Recommended	
	<u>Funded</u>	<u>Unfunded</u>	<u>Funded</u>	<u>Unfunded</u>
Assistant Treasurer-Tax Collector	1		1	
Account Clerk I/II – Tax Collector	2		2	
Accountant Auditor I/II/Senior/Supervising ⁽²⁾	1		1	
Accounting Technician I/II	3	1	4 ⁽¹⁾	
Administrative Analyst I/II/Senior ⁽²⁾	1		1	
Senior Accounting Technician	1		1	
Treasurer-Tax Collector	1		1	
Total Permanent	10	1	11	0

Note: The following changes were made with a re-organization of the department as approved by the Board on December 9, 2015:

(1) One unfunded Accounting Technician is recommended funded in Fiscal Year 2017-18.

(2) The Accountant Auditor I/II and Administrative Analyst I/II classifications are now flexibly staffed to a Senior level. In 2017, the Accountant Auditor I/II/Senior was again flexibly staffed to a Supervising level.

SALARIES & EMPLOYEE BENEFITS

710102 **Permanent Salaries** (\$653,767) are recommended increased \$84,703 based on salary increases, step increases, and funding all allocated positions.

710103 **Extra Help** (\$81,199) is recommended decreased \$20,922 based on the need for clerical help during peak tax collection periods assisting with tax collections, processing tax payments, recording 4-pay/5-pay collections, maintaining payment plan agreements, credit card processing; as well as to provide staff support on various projects. A field collection position will be implemented to assist with the backlog of unsecured collections and to check the validity of annual unsecured billings. The costs of any fieldwork will be assessed to the delinquent tax bill and recovered through payment. This includes costs associated with the annual tax defaulted property tax sale, for which a minimum of \$50,000 will be recovered from the tax sale excess proceeds trust fund and a portion will also be recovered through the increase in collections from extensive collection efforts such as bank levies, till taps and the tax intercept program.

710200 **Retirement** reflects the County's anticipated contribution to Social Security and the Public Employees' Retirement System.

710300 **Health Insurance** is based on the employer's share of health insurance premiums.

TREASURER-TAX COLLECTOR

SALARIES & EMPLOYEE BENEFITS (continued)

710400 **Workers' Compensation** reflects the Department's contribution to the County's Self-Insurance Internal Service Fund.

SERVICES & SUPPLIES

720300 **Communications** (\$2,500) is recommended increased by \$1,100 due to the cost of outsourcing communications to a vendor.

720600 **Insurance** reflects the Department's contribution to the County's Self-Insured Liability Program.

720800 **Maintenance - Equipment** (\$14,000) is recommended unchanged based on current expenditures and for maintenance of an additional check scanner and telephones. Service contracts included are: Treasury vault Diebold, folding machine, NCR and Canon Scanner/Processors. Service contracts that are treasury related will be recovered from Treasury Administration fees.

721100 **Memberships** (\$700) is recommended increased by \$300 for memberships in the California Association of County Treasurers and Tax Collectors (CACTTC).

721300 **Office Expense** (\$30,000) is recommended increased \$5,000 for general office supplies, forms, increase in tax bill printing, and envelopes. This amount includes funding for subscriptions relating to investments and code enforcement, government and tax code updates, and for office equipment replacements such as calculators, battery/surge protectors, and the replacement of several telephones no longer in service.

721400 **Professional & Specialized Services** (\$210,000) is recommended increased \$1,201 based on cost estimates. All Treasuries related costs listed below and software maintenance is recovered through the Treasury Administration Fees estimated at \$134,000. All tax sale related costs are recoverable from redemptions and excess proceeds.

<u>Tax Collector</u>	<u>Recommended</u>	
Megabyte Public Web Service	\$ 3,200	
Megabyte Agency Web Service 1	9,800	
Megabyte Default Page Update	10,000	
PreSort	9,000	
First Corporate Solutions (Tax Sale)	25,000	
Bid4Assets (Tax Sale)	<u>11,000</u>	
sub total		\$68,000

TREASURER-TAX COLLECTOR

SERVICES & SUPPLIES (continued)

Professional & Specialized Services (continued):

<u>Treasury (All Recoverable)</u>		
Banking Services ²	100,000	
Audit of Investment Portfolio	3,000	
Financial Advisor Services	2,000	
Wells Fargo Custodial Bank	10,000	
Brinks Courier Service ³	<u>9,000</u>	
sub total		\$124,000
<u>Software Maintenance (Treasury)</u>		
Financial Mgmt (Sympro/Emphasys)	\$ 8,000	
RT/Lawrence	<u>10,000</u>	
sub total		<u>18,000</u>
GRAND TOTAL		\$210,000

Note:

1. Megabyte Agency Web Service will be offset from service costs billed.
2. Banking service expenses for the Treasury Department are scheduled to remain significant this fiscal year based on banking regulation changes known as BASELIII.
3. Brinks cost is offset from reimbursement for services charged to Superior Court.

721500 **Publications & Legal Notices** (\$5,500) is recommended unchanged based on actual and estimated costs for publications, including the announcement of a Tax Sale, Notice of Power to Sell and Excess Proceeds of properties sold at the tax sale. The tax sale publications are assessed to the defaulted properties and fully recovered when properties are redeemed or sold. Other publications required by law include the notice of property tax due dates and deadlines, delinquent taxpayer announcements, and defaulted tax listing.

721600 **Rents & Leases – Equipment** (\$12,500) is an increase of \$12,100 for long-term leases for computers, monitors, and printers; which includes maintenance services. Approximately \$3,500 will be recovered through Treasury Admin fee.

SERVICES & SUPPLIES (continued)

722000 **Transportation & Travel** (\$19,000) is recommended increased \$12,000 to reimburse private mileage and expenses for out-of-County travel to attend required conferences, meetings, continuing education seminars and training; such as Megabyte, Sympro, RTL, CSAC, and CACTTC for several new employees and management. Madera County is also tasked with hosting the annual CACTTC meeting in 2018. Approximately \$11,000 will be recovered through Treasury Admin fee.