

Treasurer-Tax Collector
RECOMMENDED BUDGET • FY 2021-22

MISSION

The Treasurer-Tax Collector Department’s mission is to effectively manage the financial resources of El Dorado County within our purview, through efficient collections, daily banking, safe and sound investments, and exceptional public service.

DEPARTMENT BUDGET SUMMARY

DEPT : 04 TREASURER/TAX COLLECTOR

Description	Prior Year Actual	Current Year Adopted	CAO Recommended	Difference from Adopted
Taxes	537,784	373,500	0	(373,500)
License, Pmt, Fran	530,834	598,429	550,000	(48,429)
Fines & Penalties	59,440	55,000	56,000	1,000
Service Charges	712,761	729,050	863,776	134,726
Miscellaneous Rev	94,422	120,000	150,000	30,000
Other Fin Sources	152,017	176,310	179,664	3,354
Total Revenue	2,087,258	2,052,289	1,799,440	(252,849)
Salaries & Benefits	2,376,882	2,472,614	2,640,335	167,721
Services & Supplies	445,116	632,048	640,074	8,026
Fixed Assets	0	13,618	38,618	25,000
Other Fin Uses	2,377	8,600	5,000	(3,600)
Intrafund Transfers	81,923	22,993	26,532	3,539
Intrafund Abatement	(17,150)	(28,050)	(401,050)	(373,000)
Total Appropriations	2,889,147	3,121,823	2,949,509	(172,314)
FUND 1000 GENERAL FUND TOTAL	801,890	1,069,534	1,150,069	80,535

MAJOR BUDGET CHANGES

Revenue

Taxes

(\$373,500) Decrease in General Fund Transient Occupancy Tax (TOT) due to a change in budgeting methodology whereby TOT revenue is to be transferred into the Department to offset expenses rather than posting as a revenue.

Licenses, Permits

(\$48,429) Reduced licensing fee revenue in Tax Collection due to anticipated loss of businesses related to COVID-19 and a decrease Vacation Home Rental business licenses.

Service Charges

\$48,294 Increase to Assessment and Tax Collection in fees in Tax Collection.

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\$86,432 Increase to Investment & Cash Management Fee revenue in the Treasury Division based on projected cost of bank services contract and treasury staff costs, offset by other smaller fluctuations (-\$9,650).

Miscellaneous Revenues

\$30,000 Increase in Miscellaneous Revenue, primarily due to projecting an upward trend in actual receipts in Tax Collection from lien filing fees, returned check fees, and payment plan processing fees, which have generally increased.

Appropriations

Salaries and Benefits

\$149,011 Increase in Permanent Employee Salary costs due primarily to the addition of an Administrative Analyst I/II position, Board of Supervisors-approved salary increases for Fiscal Managers in FY 2020-21 (\$138,836), and other smaller Salary and Benefit changes (\$10,175).

\$32,943 Increase to retirement costs due to salary increases and additional FTE as noted above.

(\$14,233) Decrease in Workers' Compensation charge, recommended at \$0 to bring the program funding level to an acceptable confidence level, as provided by the Risk Management Division.

Services and Supplies

\$8,240 Increase in General Liability Insurance Premium expense, as departmental charges are resuming after a rate holiday in FY 2020-21.

\$8,307 Increase in Computer system Maintenance due to Windows 10 upgrade for the remittance processing machine.

\$14,916 Increase in Professional and Specialized services, primarily due to Banking services costs in the Treasury Division.

(\$21,000) Decrease in software costs in Tax Collection due to a reduced Host Compliance software cost for TOT Compliance, a service which is utilized by multiple departments.

(\$2,437) Other smaller changes to various Services and Supplies line items.

Fixed Assets

\$25,000 Increase in equipment software in the Tax Collection Division due to a one-time purchase of a Megabyte Tax Sale Module.

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Intrafund Abatement

(\$373,000) Decrease in General Fund Intrafund Abatement in the Tax Collection Division due to a change in budgeting methodology whereby Transient Occupancy Tax Revenue is to be transferred into the Department to offset expenses rather than posted as a revenue. Shown as a negative appropriation.

PROGRAM SUMMARIES

Treasurer

This Division receives and accounts for over one billion dollars in annual deposits and is responsible for the internal controls safeguarding those deposits. Additionally, the Division projects daily liquidity requirements for the County, schools, and outside agencies through analysis of current and historical data to ensure sufficient funds are available for cash flow needs. Funds in surplus of daily cash flow needs are prudently invested in accordance with the County Investment Policy in interest-earning instruments until needed.

Tax Collector

This Division's priorities are to manage the processing, collecting, depositing, and accounting of tax receipts while providing exceptional customer service to the public. Other priorities include accounting for defaulted taxes and transfers of delinquent amounts to the defaulted tax rolls. The Tax Collector Division administers both the Transient Occupancy Tax (TOT) and the Business License Ordinances. Finally, the Tax Collector Division conducts the Annual Public Auction Tax Sale.

Revenue Recovery

The Revenue Recovery Division is responsible for the enforcement of Board Policy B-4 Collections – Recovery of Public Funds. This Division works to collect debts owed to some County Departments.

BUDGET SUMMARY BY PROGRAM

	Appropriations	Revenues	Net County Cost	Staffing
0400000 - TR: ADMINISTRATION	\$ 545,115	\$ -	\$ 545,115	6.08
0410000 - TR: TAX COLLECTION	\$ 1,613,275	\$ (1,057,958)	\$ 555,317	9.29
0420000 - TR: TREASURY DIVISION	\$ 733,582	\$ (733,582)	\$ -	3.07
0430000 - TR: REVENUE RECOVERY	\$ 57,537	\$ (7,900)	\$ 49,637	1.56
Grand Total	\$ 2,949,509	\$ (1,799,440)	\$ 1,150,069	20

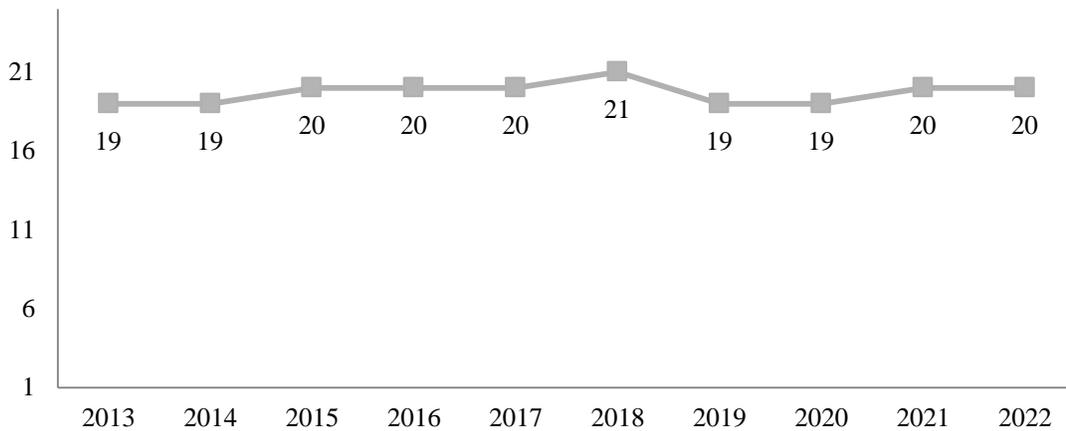
This Budget Summary by Program Table includes detail on Special Revenue Funds that is not included in the Department Budget Summary. These Special Revenue Funds are restricted or committed to expenditure for specified purposes, and are expended by the Department.

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STAFFING TREND

Staffing for the Treasurer-Tax Collector's Office has remained fairly flat over the last 10 years. In FY 2020-21, one (1 FTE) Accountant I/II was added to the allocation, with the understanding that upon the retirement of an employee, a Fiscal Technician allocation (1 FTE) was to be deleted. This position is recommended to be deleted with the FY 2021-22 budget. An Administrative Analyst I/II is recommended to be added. These changes are due to new systems and increased complexity in the Treasury and Tax Collection programs. The recommended staff allocation for FY 2021-22 is 20 FTEs.



RECOMMENDED BUDGET

This Budget is recommended at \$2,949,509, which is a decrease of \$172,314 (5.5%) compared to the FY 2020-21 Adopted Budget. The General Fund provides 39% of the funding for this Department, and is increased by \$80,535 (7.5%) when compared to the FY 2020-21 Adopted Budget.

The main driver of this change is the change in budgeting methodology whereby Transient Occupancy Tax (TOT) Revenue is to be transferred into the Department to offset expenses rather than posted as a revenue. In the Treasurer-Tax Collector budget, this results in a decrease being shown in revenue and an increase in Intrafund Abatement (which is shown under appropriations as a negative, effectively offsetting the total appropriations shown). Additionally, rather than budgeting the TOT contribution to the Department at 10% of actuals, which has been past practice, the Department is now receiving a flat amount of \$373,000.

CAO Adjustments

The CAO recommends no adjustments.

Sources & Uses of Funds

The Treasurer-Tax Collector is funded through a variety of sources. Charges for services include fees for cash management and investment services that are paid by outside agencies that bank in the treasury, as well as a portion of the 5% administration fee for the supplemental tax roll. Revenues are also generated through the sale of business licenses. The Department receives a share of the fees charged for the separate assessment of timeshares. Finally, the Department receives a portion of the General Fund Transient Occupancy Tax in recognition of cost to manage the collection of these funds. The balance of the Department expense is funded with discretionary General Fund revenue.