

## Mission Statement

The Treasurer-Tax Collector Department operates three divisions – Treasury, Tax, and Central Collections. While the activities of each division are unique, the primary purpose of the Department as a whole is collection and cash management of revenue owed to the County, cities, special districts, school districts, and the court system. The department is committed to providing excellent customer service and ensuring effective utilization of the public's tax dollars through a program of performance measurement and management.

## Department Description and Key Issues

The Treasurer-Tax Collector Department has a broad internal and external customer base. It serves the general public, cities and town, special districts, school districts, the court system, and every department within the County. The following is a brief description of the three divisions within the Treasurer-Tax Collector Department:

**Treasury Division** – Provides banking and investment services to all County departments, as well as Butte County's school districts, special districts, and the Superior Court system. The combined deposits constitute a "pooled" investment portfolio, the purpose of which is to save operating expenses by consolidating banking activities, thereby achieving higher investment returns for the monies on deposit. Similar to a banking operation in the private sector, the Treasury processes daily deposits, maintains sufficient liquidity to meet cash flow needs, and invests the balance of the funds to ensure the safety of the principal while maximizing interest earnings for its depositors. On average, the Treasury manages a \$400 million dollar investment portfolio and generates earnings on a pro-rata basis for all investment pool participants.

**Tax Division** – Responsible for billing and collecting taxes assessed on real and personal property in Butte County (land, structures, manufactured homes, boats, airplanes, and businesses). After the Assessor has valued the property and the Auditor has added direct charges and special assessments to each account, the Tax Division mails the bills and collects the payments. The division bills upwards of 110,000 property owners each year and processes approximately \$220 million in tax payments. The County retains between 16-20 percent of the property tax revenue collected and distributes the rest to the local entities - schools, cities and town, and special districts - that share this revenue source.

**Central Collections Division** – Serves as the collection agency for Butte County departments and the Superior Court system. Modeled after private enterprise collection efforts, while also adhering to compliance requirements for public entities, the program generates more than \$5 million annually. The primary focus of the collections effort is to recover delinquent fines and fees assessed by the court system and various Butte County departments. The division also pursues delinquent unsecured property taxes, serves as the central collection agency for various County programs, collects and distributes Victim Restitution payments, and collects the Community Development Block Grant (CDBG)/ Housing and Urban Development (HUD) loan payments. Approximately 25 percent of all revenue collected benefits the County's General Fund.

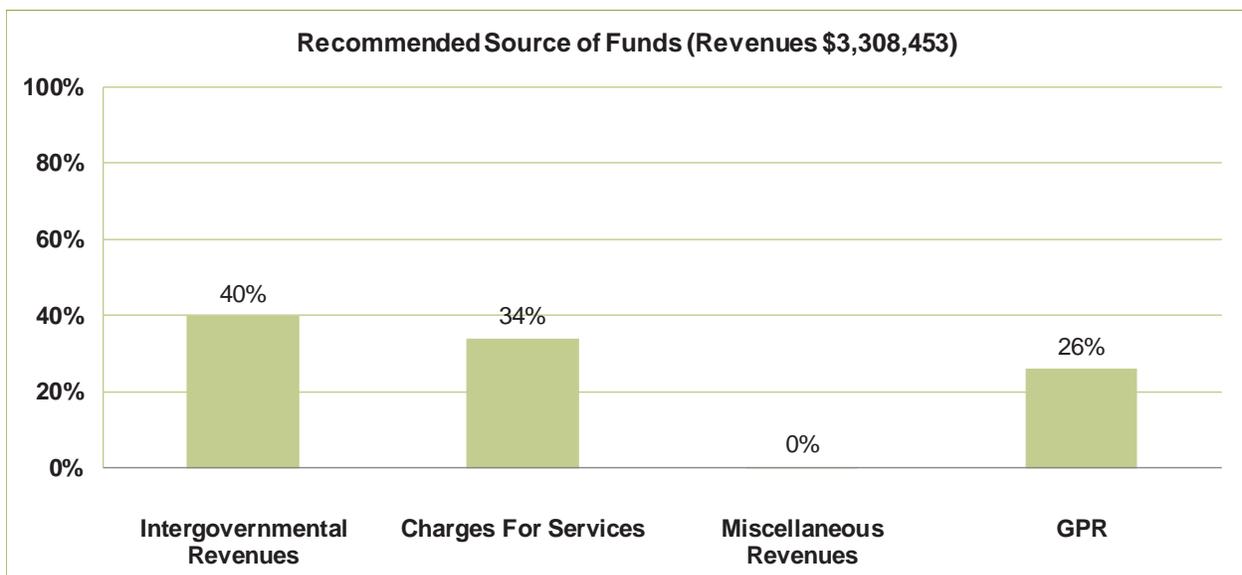
During fiscal year 2017-18, the Treasurer-Tax Collector Department will continue to maintain an investment strategy designed to maximize safety, liquidity, and yield; manage banking services to enhance operations and ensure the protection of County assets; expand delinquent court collection efforts; bill and collect taxes; streamline business practices to maximize efficient revenue generation; and provide consistently courteous and helpful service to Butte County's citizens.

**TREASURER-TAX COLLECTOR BUDGET**

	<b>2015-16 Actuals</b>	<b>2016-17 Adopted</b>	<b>2017-18 Requested</b>	<b>2017-18 Recommended</b>
Intergovernmental Revenues	1,189,207	1,265,118	1,318,581	1,318,581
Charges For Services	1,254,718	1,004,796	1,120,743	1,120,743
Miscellaneous Revenues	68,704	56,386	9,500	9,500
<b>Total Revenues</b>	<b>\$ 2,512,629</b>	<b>\$ 2,326,300</b>	<b>\$ 2,448,824</b>	<b>\$ 2,448,824</b>
Salaries and Employee Benefits	1,755,312	1,986,812	2,159,850	2,159,850
Services and Supplies	940,386	1,110,061	1,045,662	1,045,662
Other Charges	7,154	6,703	8,551	8,551
Special Items	150,703	121,651	94,390	94,390
<b>Total Expenditures</b>	<b>\$ 2,853,555</b>	<b>\$ 3,225,227</b>	<b>\$ 3,308,453</b>	<b>\$ 3,308,453</b>
<b>Net Costs/Use of Fund Balance</b>	<b>\$ 340,926</b>	<b>\$ 898,927</b>	<b>\$ 859,629</b>	<b>\$ 859,629</b>

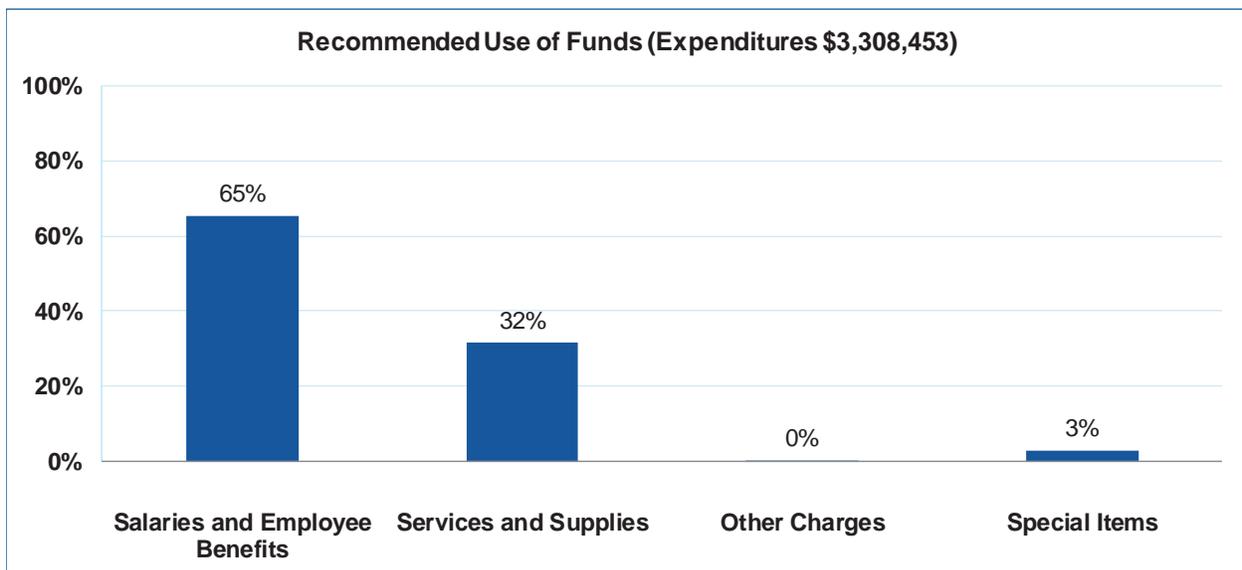
**Source of Funds (Revenues)**

- Intergovernmental revenues include the Treasurer-Tax Collector’s share of restitution payments, funding from the Butte County Superior Court to administer a victim restitution disbursement and collection program, and revenues from internal service funds and Neal Road Recycling and Waste Facility for Treasury services.
- Charges for services include fees charged to non-General Fund departments, fines and collections, tax collection fees, and Treasury fees.
- General purpose revenue (GPR) is the General Fund contribution to operate the Department and the Treasurer-Tax Collector’s share of property tax administration and supplemental property tax administration revenue.



**Use of Funds (Expenditures)**

- Salaries and benefits is the largest expenditure category for the department.
- Services and supplies include contracts for services such as the department’s share of the County’s property tax system, financial system, collections system, and automated remittance processing system for property tax payments. Also included are office supplies, utilities, and training.
- Special items include both positive expenditures (transfers) and negative expenditures (reimbursements). The components of this category include:
  - Transfers for the department’s share of costs for support services provided by Administration, Auditor, County Counsel, General Services, Human Resources, Information Systems, and Treasurer.
  - Reimbursements to the Treasurer’s Office from General Fund departments for support services provided, which is reflected as a negative expenditure.



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## Summary of Budget Request and Recommendations

### Salaries & Employee Benefits

#### Requested

- The department budget request includes funding to maintain current staffing levels.
- The department budget request includes funding for extra-help hours to provide additional clerical support to the staff coordinating the 2018 tax auction. The coordination services previously handled by an outside vendor are now being performed by staff in the Department.

#### Full Time Equivalent

##### Position Allocations

	Total
2013-14 Adopted Positions	23.00
2014-15 Adopted Positions	23.00
2015-16 Adopted Positions	24.00
2016-17 Adopted Positions	24.00
2016-17 Current Positions *	24.00
2017-18 Recommended Positions	24.00

\*As of 4/11/2017

#### Recommended

- The recommendation includes funding for the requested staffing levels.

### Services & Supplies

#### Requested

- The department budget request includes funding for an auction of tax-defaulted properties in June 2018. The budget request includes funding for online tax auction hosting services, parties of interest reports for the properties eligible for sale, and the required noticing and publication costs. Costs associated with the tax auction are offset by auction fee revenue.
- The department budget request includes funding to cover the service fee associated with e-check payments for property taxes, which is an online payment method provided free of charge to taxpayers.
- The department budget request includes funding for a third-party collection agency to assist with the collection of seriously delinquent debt.
- The department budget request includes funding to replace outdated office computers and printers.

#### Recommended

- The recommendation includes funding for the requested services and supplies.

### Capital Assets

#### Requested

- The department budget request does not include any capital assets.

#### Recommended

- The recommendation does not include any capital assets.

BUDGET UNIT 070 - TREAS-TAX COLLECTOR  
 FUNCTION GENERAL GOVERNMENT  
 ACTIVITY FINANCE  
 FUND 0010 - GENERAL FUND

Detail by Revenue Category and Expenditure Object	2015-16 Actual	2016-17 Estimated	2017-18 Requested	2017-18 Recommended	2017-18 Adopted by the Board of Supervisors
1	2	3	4	5	6

**REVENUES**

450	INTERGOVERNMENTAL REVENUES	1,189,207	1,265,118	1,318,581	1,318,581	-
460	CHARGES FOR SERVICES	1,254,718	1,004,796	1,120,743	1,120,743	-
470	MISCELLANEOUS REVENUE	68,704	56,386	9,500	9,500	-
<b>TOTAL REVENUES</b>		<b>\$2,512,629</b>	<b>\$2,326,300</b>	<b>\$2,448,824</b>	<b>\$2,448,824</b>	<b>-</b>

**EXPENDITURES/APPROPRIATIONS**

510	SALARIES & EMPLOYEE BENE	1,755,312	1,986,812	2,159,850	2,159,850	-
520	SERVICES & SUPPLIES	940,386	1,110,061	1,045,662	1,045,662	-
550	OTHER CHARGES	7,154	6,703	8,551	8,551	-
590	SPECIAL ITEMS	150,703	121,651	94,390	94,390	-
<b>TOTAL EXPENDITURES/APPROP.</b>		<b>\$2,853,555</b>	<b>\$3,225,227</b>	<b>\$3,308,453</b>	<b>\$3,308,453</b>	<b>-</b>

<b>NET COSTS / USE OF FUND BALANCE</b>		<b>\$340,926</b>	<b>\$898,927</b>	<b>\$859,629</b>	<b>\$859,629</b>	<b>-</b>
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