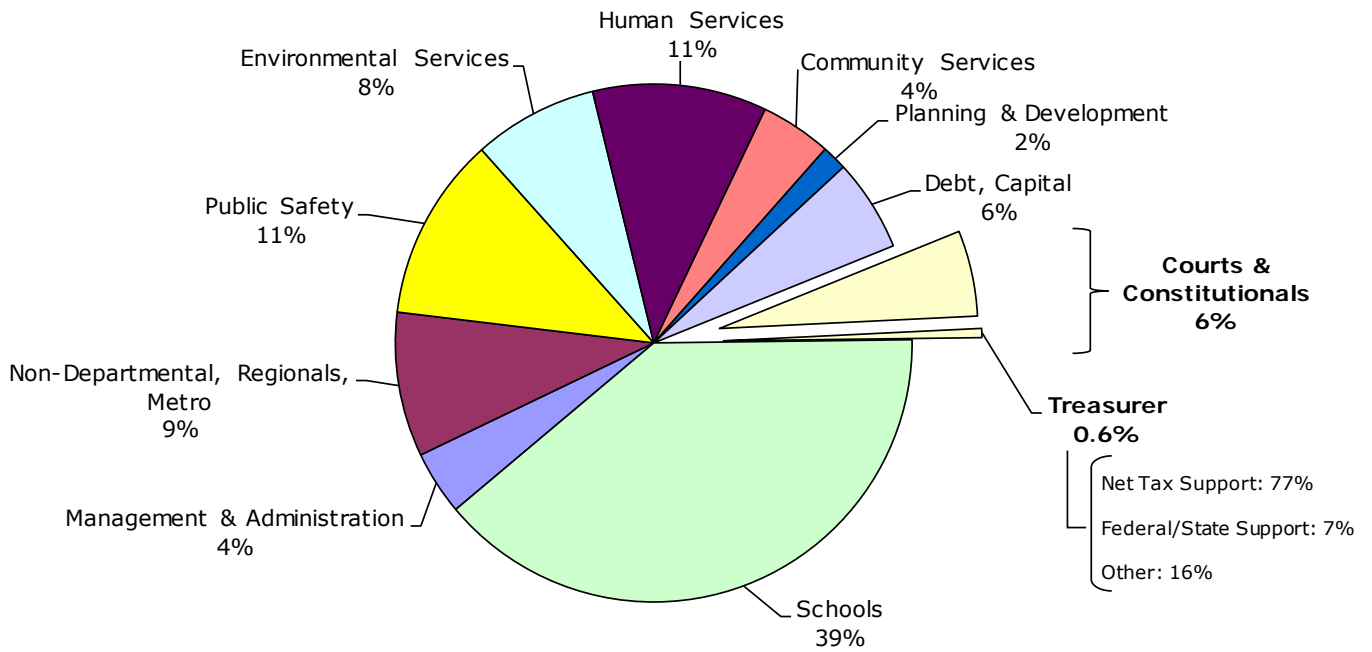


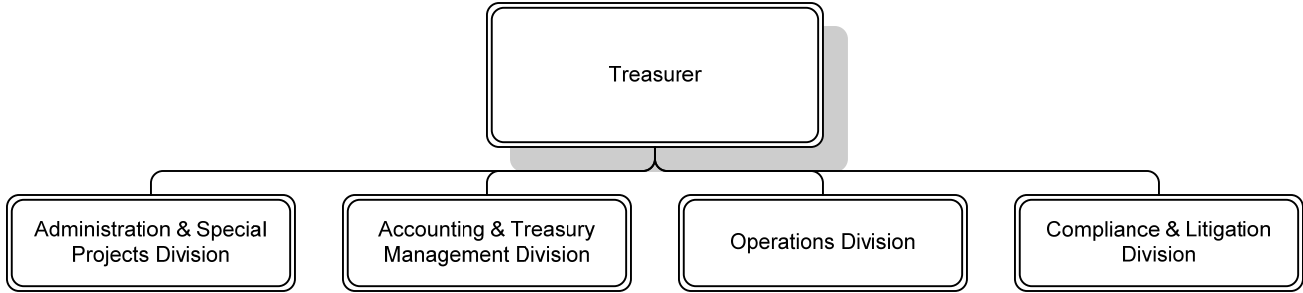
Our Mission: To receive, safeguard, and disburse County funds

In order that society can conduct itself in a civilized manner, that the ends of justice can be served, and that government can ensure the provision of services to its citizenry, it is the mission of the Treasurer’s Office, as defined by the Constitution of Virginia, to receive or collect state and local taxes and other revenues, to safeguard the funds, and to disburse the funds in accord with the dictates of the local governing body.

FY 2019 Proposed Budget - General Fund Expenditures



LINES OF BUSINESS



Administration & Special Projects
 - Administration
 - Special Projects & Information Systems

Accounting
 - Accounting
 - Treasury Management

Operations
 - Customer Service
 - Management Information & Billing

Compliance
 - Collections
 - Liens
 - Enforcement
 - Litigation

SIGNIFICANT BUDGET CHANGES

The FY 2019 proposed expenditure budget for the Treasurer’s Office is \$7,182,170, a two percent increase from the FY 2018 adopted budget. The FY 2019 proposed budget reflects:

- ↑ Personnel increases due to employee salary increases, an increase in the County’s cost for employee health insurance, retirement contributions based on current actuarial projections, and staff turnover.
- ↓ Non-personnel decreases due to adjustments to the annual expense for maintenance and replacement of County vehicles (\$3,057).
- ↓ Fee revenue decreases as administrative collection fees return to more normal levels following collection of a large account in the prior two fiscal years (\$40,000), and as the new rules enacted by the Supreme Court of Virginia continue to decrease the number of delinquent court accounts referred to the Treasurer for collection (\$59,000). Revenues also decrease due to decreased iPark fees (\$17,751) and reload fees (\$500); a decrease in Easy Park meter revenue (\$6,056), reload fees (\$400) and device fees (\$350); and a decrease in dog license revenues (\$3,780).
- ↑ Grant revenue increases due to a reconciliation with FY 2018 adopted State Compensation Board revenue (\$9,869) and additional Compensation Board funding (\$27,037) for the Treasurer and four of her Deputies participating in the Treasurer’s Association of Virginia’s Career Development Program having earned certifications from the University of Virginia’s Weldon Cooper Center for Public Service.

DEPARTMENT FINANCIAL SUMMARY

	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed	% Change '18 to '19
Personnel	\$6,017,522	\$6,357,303	\$6,507,184	2%
Non-Personnel	861,541	678,043	674,986	-
Total Expenditures	6,879,063	7,035,346	7,182,170	2%
Fees	1,396,270	1,292,057	1,164,220	-10%
Grants	494,252	493,449	530,355	7%
Total Revenues	1,890,522	1,785,506	1,694,575	-5%
Net Tax Support	\$4,988,541	\$5,249,840	\$5,487,595	5%
Permanent FTEs	62.00	62.00	62.00	
Temporary FTEs	0.66	0.66	0.66	
Total Authorized FTEs	62.66	62.66	62.66	

ADMINISTRATION AND SPECIAL PROJECTS

PROGRAM MISSION

To ensure optimal use of available resources and high-quality service by providing functional office-wide administrative and systems support in areas including personnel management; detailed statistical analyses; preparation and monitoring of County and State budgets; information system analysis, design, and support; communications; and special projects assigned by the Treasurer.

Administration

- Provides administrative support to the Treasurer.
- Performs and coordinates all office personnel functions.
- Oversees state and local legislative activities.
- Conducts statistical analyses and assists the Treasurer with projects necessary for reporting, presenting, and disseminating public information.

Special Projects and Information Systems

- Performs both ongoing and special one-time projects.
- Designs office forms, tax bills, and other distribution materials.
- Prepares and monitors both County and State annual budgets.
- Designs and maintains the Treasurer’s website.
- Performs information systems analysis, design, testing, documentation, and programming.

SIGNIFICANT BUDGET CHANGES

- ↑ Personnel increases due to employee salary increases, an increase in the County’s cost for employee health insurance, retirement contributions based on current actuarial projections, and staff turnover.
- ↓ Non-personnel decreases due to adjustments to the annual expense for maintenance and replacement of County vehicles (\$3,057).
- ↓ Fee revenue decreases due to decreased iPark fees (\$17,751) and reload fees (\$500), a decrease in Easy Park meter revenue (\$6,056), reload fees (\$400) and device fees (\$350), and an increase in dog license refunds (\$3,780).
- ↑ Grant revenue increases due to a reconciliation with FY 2018 adopted State Compensation Board revenue (\$9,869) and additional Compensation Board funding (\$27,037) for the Treasurer and four of her Deputies participating in the Treasurer’s Association of Virginia’s Career Development Program having earned certifications from the University of Virginia’s Weldon Cooper Center for Public Service.

ADMINISTRATION AND SPECIAL PROJECTS

PROGRAM FINANCIAL SUMMARY

	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed	% Change '18 to '19
Personnel	\$1,080,035	\$1,162,302	\$1,189,950	2%
Non-Personnel	444,197	170,766	167,709	-2%
Total Expenditures	1,524,232	1,333,068	1,357,659	2%
Fees	177,497	155,057	126,220	-19%
Grants	494,252	493,449	530,355	7%
Total Revenues	671,749	648,506	656,575	1%
Net Tax Support	\$852,483	\$684,562	\$701,084	2%
Permanent FTEs	9.00	9.00	9.00	
Temporary FTEs	-	-	-	
Total Authorized FTEs	9.00	9.00	9.00	

ACCOUNTING AND TREASURY MANAGEMENT

PROGRAM MISSION

To safeguard, manage, and account for all revenues and bond proceeds received for the County Government and Public Schools, ensuring the security, proper stewardship, and availability of these funds to meet County and Public School expenditure requirements. To provide and manage banking services for the County Government and Public Schools.

Accounting

- Prepares and enters data that accurately reflect revenue activity for the general fund and all other funds.
- Reports and remits funds received on behalf of the Commonwealth (e.g. estimated state income tax payments and transient occupancy tax) and reports abandoned property to the Commonwealth.
- Ensures the integrity of transactions entered into the general and subsidiary ledgers.
- Monitors established control procedures.
- Completes bank reconciliations.
- Develops policies and procedures to ensure that internal controls and the security of County funds are maintained.

Treasury Management

- Monitors the receipt of funds.
- Forecasts cash flow requirements.
- Selects banking services and maintains all banking relationships.
- Manages the investment portfolio for the County and seeks to match projected cash flow requirements with investment maturities consistent with the principles of Safety, Liquidity and Yield (SLY).
- Manages the County's bond arbitrage program.
- Prepares the Treasurer's reports for the County Finance Board.

SIGNIFICANT BUDGET CHANGES

- ↑ Personnel increases due to employee salary increases, an increase in the County's cost for employee health insurance, and retirement contributions based on current actuarial projections.

ACCOUNTING AND TREASURY MANAGEMENT

PROGRAM FINANCIAL SUMMARY

	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed	% Change '18 to '19
Personnel	\$1,305,734	\$1,292,209	\$1,340,498	4%
Non-Personnel	6,686	8,388	8,388	-
Total Expenditures	1,312,420	1,300,597	1,348,886	4%
Total Revenues	-	-	-	-
Net Tax Support	\$1,312,420	\$1,300,597	\$1,348,886	4%
Permanent FTEs	11.00	11.00	11.00	
Temporary FTEs	-	-	-	
Total Authorized FTEs	11.00	11.00	11.00	

PERFORMANCE MEASURES

Critical Measures	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
Total Number of Bank Accounts for County and Schools at June 30	93	92	90	94	94	94
Number of Bank Accounts Managed at June 30	58	57	55	59	63	63
Bank reconciliation within accounting close date	100%	100%	100%	100%	100%	100%
Number of months investment performance outperforms 90-day T-bill rate benchmark	12/12	12/12	12/12	12/12	12/12	12/12
Balance of Funds at June 30	\$619,967,140	\$649,929,875	\$720,594,780	\$731,574,292	n/a	n/a
Balance of Unexpended Bond Proceeds at June 30 (SNAP – State Non-Arbitrage Program)	\$252,006,369	\$265,089,771	\$192,720,320	\$338,179,591	n/a	n/a
Investment Interest Income (Cash Basis)	\$4,403,355	\$3,598,755	\$5,818,222	\$7,068,521	\$8,800,000	\$9,240,000

ACCOUNTING AND TREASURY MANAGEMENT

Supporting Measures	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
Meet or exceed the Department of Management and Finance monthly closing schedule	100%	100%	100%	100%	100%	100%
Number of audit exceptions in the annual state funds audit report	0	0	0	0	0	0
Number of significant audit (outside) exceptions included in the final audit report attributable to the Treasurer's Office	0	0	0	0	0	0

- The Treasurer's Office has oversight of the County and Public Schools accounts but does not perform reconciliation activities on the Schools accounts. Managed bank accounts, by contrast, are reconciled by the Treasurer's Office (daily or monthly) and include traditional checking and savings as well as investment accounts at banks (e.g. money market, CD).
- FY 2017 managed account totals reflect an increase over FY 2016 because additional investment accounts were opened in FY 2017. The estimate of 63 accounts in FY 2018 and FY 2019 is based on the recent transition of reconciliation activities for several accounts from DMF to the Treasurer's Office.
- The Balance of Funds at June 30 includes cash from all funds except for SNAP. However, the Treasurer's Office is unable to estimate future fund balances because they are reliant on actions by the County Board and planned expenditures by the County.
- The Balance of Unexpended Bond Proceeds (SNAP) is affected by both bond issuance activity and spend/reimbursement activity. In FY 2017, bonds were issued in the amount of \$225 million. Future estimates are highly dependent on market driven future issuance levels as well as project expenditures. The Treasurer's Office is unable to predict future balances.
- Investment interest income is provided on a cash basis, and includes earnings on unexpended bond proceeds (SNAP portfolio). Investment interest income increased from FY 2015 through FY 2017 due to the increased size of the portfolio and higher market rates. The estimated increase for FY 2018 reflects a combination of the larger portfolio, including a larger SNAP portfolio and a rising interest rate environment.

PROGRAM MISSION

The mission of the Operations Division is to manage all revenue transactions, post assessments provided by other County agencies to the system of record, create accurate tax bills, manage all aspects of mail services for the Treasurer's Office, and issue various County licenses. In addition, we maximize customer convenience through face-to-face, telephone, and written customer service, and by providing convenient and accessible methods of payment.

The Operations Division is comprised of two sections: Customer Service and Management Information and Billing.

Customer Service

- Processes all directly remitted County revenue as well as payments received by other County departments and agencies.
- Provides service to the public through in-person customer service, operating a call center during business hours, and responding to email to help customers understand their obligations and resolve problems.
- Transmits payment files for nightly posting to the accounts receivable systems.
- Provides frontline County services, among other activities, by issuing County vehicle decals and dog licenses, accepting applications and payments for residential zone parking permits, as well as managing the sale and maintenance of Easy Park devices.
- Provides support for the Arlington County online payment portal (CAPP). Creates and maintains customer accounts to include address maintenance, account consolidation, and real estate tax account set-up. Works closely with programmers and vendors to ensure optimum functionality of CAPP.

Management Information and Billing

- Maintains the accounts receivable files for all County taxes and adjusts those accounts to assess and abate late payment penalties, resolve payment posting problems, and process customer refunds.
- Reconciles the accounts receivable files to the County's general ledger.
- Performs and coordinates updates to handle real estate tax exemptions and deferrals, new construction tax billing, and other real estate issues.
- Coordinates with other County agencies and outside vendors to produce timely and accurate tax bills.
- Manages and reconciles print and postage accounts for mail services.
- Manages programs for processing payments through lockbox, mortgage tax services, vehicle fleet accounts, and other alternative customer payment options.
- Works closely with programmers and vendors to ensure accuracy and efficiency of the system of record.

SIGNIFICANT BUDGET CHANGES

- ↑ Personnel increases due to employee salary increases, an increase in the County's cost for employee health insurance, retirement contributions based on current actuarial projections, and staff turnover.

OPERATIONS

PROGRAM FINANCIAL SUMMARY

	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed	% Change '18 to '19
Personnel	\$1,294,611	\$1,561,075	\$1,582,685	1%
Non-Personnel	362,088	276,915	276,915	-
Total Expenditures	1,656,699	1,837,990	1,859,600	1%
Total Revenues	-	-	-	-
Net Tax Support	\$1,656,699	\$1,837,990	\$1,859,600	1%
Permanent FTEs	18.00	18.00	18.00	
Temporary FTEs	-	-	-	
Total Authorized FTEs	18.00	18.00	18.00	

PERFORMANCE MEASURES

Customer Service Section

Critical Measures	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
Average time to process and mail a dog license (in minutes)	6	6	6	6	6	6
Percentage of Real Estate Registrations completed within one week	63%	76%	88%	95%	95%	95%
Percentage of emails answered within 2 business days	100%	100%	100%	100%	100%	100%
Average time on a phone call (minutes)	3	4	4	4	4	4

Supporting Measures	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
Average time a taxpayer waits for assistance at a counter (in minutes)	6	6	6	6	6	6
Real Estate returned mail items processed	924	969	2,959	2,900	2,900	2,900
Number of cashier payments	148,793	111,317	91,377	95,676	95,000	95,000
Dog license payments received	\$62,789	\$69,085	\$68,929	\$69,981	\$72,000	\$74,700
Dog license sales (accounts)	3,570	3,805	3,859	3,949	4,000	4,100
Manual real estate registration transfers	6,158	5,242	6,512	6,487	6,300	6,600
Customer email responses	5,934	6,390	7,423	7,195	8,000	7,500
Percentage of dog licenses processed within 4 business days	100%	100%	100%	100%	100%	100%

OPERATIONS

Supporting Measures	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
Customer maintenance work items completed	24,388	19,766	21,166	30,532	21,000	20,550
Customer phone calls answered	36,394	33,080	34,282	31,640	32,000	29,000

- The number of Real Estate returned mail items increased in FY 2016 when the office began researching and re-mailing returned real estate assessment letters issued by the Department of Real Estate Assessments.
- In FY 2017, the number of cashier payments increased primarily driven by payments made in person or by mail to the office for agency collections and parking tickets, as well as Business License, Real Estate and Personal Property taxes. The overall trend for in-person payments will likely remain fairly consistent.
- The number of manual real estate registration transfers fluctuates with the number of real estate sales and transfers.
- The FY 2018 estimate for the number of customer email responses reflects a surge in customer emails received in December 2017 as a result of the federal tax bill. The increase in customer email inquiries and responses in FY 2016 was the result of increased customer outreach to educate residents on tax and decal deadlines.
- Customer maintenance work items spiked in FY 2017 due to an initiative to clear out aged, non-responsive dog license cases. Future activity levels are expected to drop back into the range of the historic average.
- Customer phone calls decreased in FY 2017 reflecting a trend towards increased online communication. The estimate for FY 2018 has been revised upward to reflect the extraordinary number of calls received during December 2017 as a result of the federal tax bill. Call volume is expected to resume its declining trend in FY 2019.

Management Information and Billing Section

Critical Measures	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
Taxpayers sent accurate original tax bills within 30 days of the due date	100%	100%	100%	100%	100%	100%

Supporting Measures	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
Number of accounts billed	236,907	234,515	234,802	237,268	244,388	249,000
Number of automated payments processed (bank account debit)	38,454	42,064	42,605	45,612	48,000	50,400
Number of Tax Deposits	27	42	39	8	4100	40
Number of fleet vehicles billed through the Fleet Payment Program	7,745	8,639	9,162	10,288	11,100	11,800

OPERATIONS

Supporting Measures	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
Number of tax bills processed through real mortgage companies and tax services	72,396	72,429	72,191	72,411	73,000	73,370
Number of transactions processed through the online payment portal (e-check and credit card)	212,447	222,827	226,473	239,907	249,507	262,000
Number of transactions processed through the wholesale & retail lockbox system	255,901	236,870	182,044	168,240	160,000	152,000
Number of refunds issued	23,189	16,303	15,929	17,854	18,474	19,684
Decal Revenue	\$4,981,832	\$4,982,387	\$4,934,901	\$5,001,539	\$5,000,000	\$5,000,000
Decal Issuance	159,701	159,745	187,516	186,545	187,000	187,000

- The number of automated payments processed continued to increase in FY 2017, as more taxpayers chose this convenient payment option.
- Tax deposits has been added as a performance measure this year to highlight the effort put forth in manually accepting, processing and maintaining tax deposits. In FY 2018, the number increased as a result of the federal tax bill.
- The number of vehicles billed through the Fleet Program increased in FY 2017, due primarily to more and more consumers choosing to lease rather than purchase new vehicles for personal use.
- The number of online payments rose in FY 2017 and is expected to continue to follow this national trend, as in-person and lockbox transactions continue to decline.
- Lockbox transactions continued to decline in FY 2017, as taxpayers used alternative payment methods, as reflected in the increases in automated and online payment options.
- The increase in decal issuance for FY 2016 was the result of a reporting change. Previously, decal issuance was counted as the number of active vehicle personal property tax accounts that were issued a decal by the end of the fiscal year. Beginning with FY 2016, the cumulative number of decals both issued and reissued to vehicles throughout the year is being reported.

PROGRAM MISSION

To reduce debt owed to Arlington County and the Commonwealth of Virginia.

The Compliance and Litigation Division's responsibility is to ensure the equitable distribution of the tax burden over the County's private and business population through the prompt and efficient collection of delinquent County taxes, parking tickets, debts owed to county agencies, and court debt (court fines, costs, forfeitures, penalties and restitution). The Division is comprised of three functional areas: Collections, Enforcement and Litigation.

Collections

- Collects overdue debt primarily through outreach to debtors. The collections area is organized as a call center, with our collectors handling inbound calls as well as placing outbound calls to debtors.
- Uses various methods to gather information on debtors, thus improving the chance of obtaining payment or finding a lien source.
- Works with debtors to establish payment arrangements.
- Monitors accounts and determines when they are ready for enforcement action or litigation.
- Collects overdue parking tickets issued by the County and Ronald Reagan Washington National Airport.
- Collects delinquent accounts for numerous county agencies and departments as well as delinquent court debt (fines, costs, forfeitures, penalties and restitution).

Enforcement

- Uses information acquired by collectors and gained through its own efforts to issue liens on wages, bank accounts, rents, and commercial accounts receivable.
- Offsets funds owed to the debtor by the County.
- Identifies vehicles registered to owners with delinquent debt to Arlington County.
- Submits vehicle registration withholding orders to the Virginia Division of Motor Vehicles for delinquent vehicle property tax accounts.
- Serves distress warrants and performs on-site visits to enforce levies and immediately take possession of vehicles or other physical assets and currency.
- Submits delinquent accounts to the Virginia Department of Taxation's set-off debt program.
- Liquidates assets by holding public auctions or by other appropriate legal methods.
- Utilizes court payment system and transfers data files.

Litigation

- Answers legal questions and interprets statutes and regulations.
- Pursues uncollected accounts through Motions for Judgment in General District Court.
- Files and litigates all claims in Bankruptcy Court.
- Tracks, pursues, and responds to inquiries on judgments.
- Targets delinquent real estate for sale.
- Works with the Treasurers' Association of Virginia to reform and enhance tax collection tools and other laws affecting treasurers.

COMPLIANCE AND LITIGATION

SIGNIFICANT BUDGET CHANGES

- ↑ Personnel increases due to employee salary increases, an increase in the County’s cost for employee health insurance, retirement contributions based on current actuarial projections, and staff turnover.
- ↓ Revenue decreases as administrative collection fees return to more normal levels following collection of a large account in the prior two fiscal years (\$40,000) and as the new rules enacted by the Supreme Court of Virginia continue to decrease the number of delinquent court accounts referred to the Treasurer for collection (\$59,000).

PROGRAM FINANCIAL SUMMARY

	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed	% Change '18 to '19
Personnel	\$2,337,142	\$2,341,717	\$2,394,051	2%
Non-Personnel	48,570	221,974	221,974	-
Total Expenditures	2,385,712	2,563,691	2,616,025	2%
Fees	1,218,973	1,137,000	1,038,000	-9%
Grants	-	-	-	-
Total Revenues	1,218,973	1,137,000	1,038,000	-9%
Net Tax Support	\$1,166,739	\$1,426,691	\$1,578,025	11%
Permanent FTEs	24.00	24.00	24.00	
Temporary FTEs	0.66	0.66	0.66	
Total Authorized FTEs	24.66	24.66	24.66	

PERFORMANCE MEASURES

Compliance and Litigation Division

Critical Measures	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
Delinquent clearances: total clearances	\$35,520,548	\$30,611,322	\$30,741,169	\$32,299,734	\$29,200,000	\$29,069,000

Supporting Measures	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
Administrative collection fees - Compliance	\$745,997	\$524,407	\$678,139	\$769,672	\$585,000	\$585,000
Administrative collection fees - Court Collections	\$390,967	\$454,691	\$424,613	\$431,747	\$315,000	\$284,000
Compliance: total clearances/FTEs	\$1,480,023	\$1,241,335	\$1,245,615	\$1,309,803	\$1,184,104	\$1,178,792
Delinquent clearances: business license	\$6,001,296	\$4,532,180	\$6,077,238	\$7,458,800	\$6,000,000	\$6,000,000

COMPLIANCE AND LITIGATION

Supporting Measures	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
Delinquent clearances: other debt	\$802,658	\$393,797	\$559,669	\$627,002	\$600,000	\$600,000
Delinquent clearances: other taxes	\$2,512,233	\$1,475,683	\$2,040,959	\$2,404,783	\$2,400,000	\$2,400,000
Delinquent clearances: parking tickets	\$3,954,861	\$3,679,305	\$2,981,536	\$3,325,137	\$3,300,000	\$3,300,000
Delinquent clearances: personal property	\$13,216,652	\$9,231,159	\$9,092,573	\$9,371,522	\$8,000,000	\$8,000,000
Delinquent clearances: real estate	\$6,393,760	\$8,711,728	\$7,362,944	\$6,611,282	\$7,000,000	\$7,000,000
Delinquent clearances: courts	\$1,502,181	\$1,608,372	\$1,499,198	\$1,299,789	\$1,000,000	\$900,000

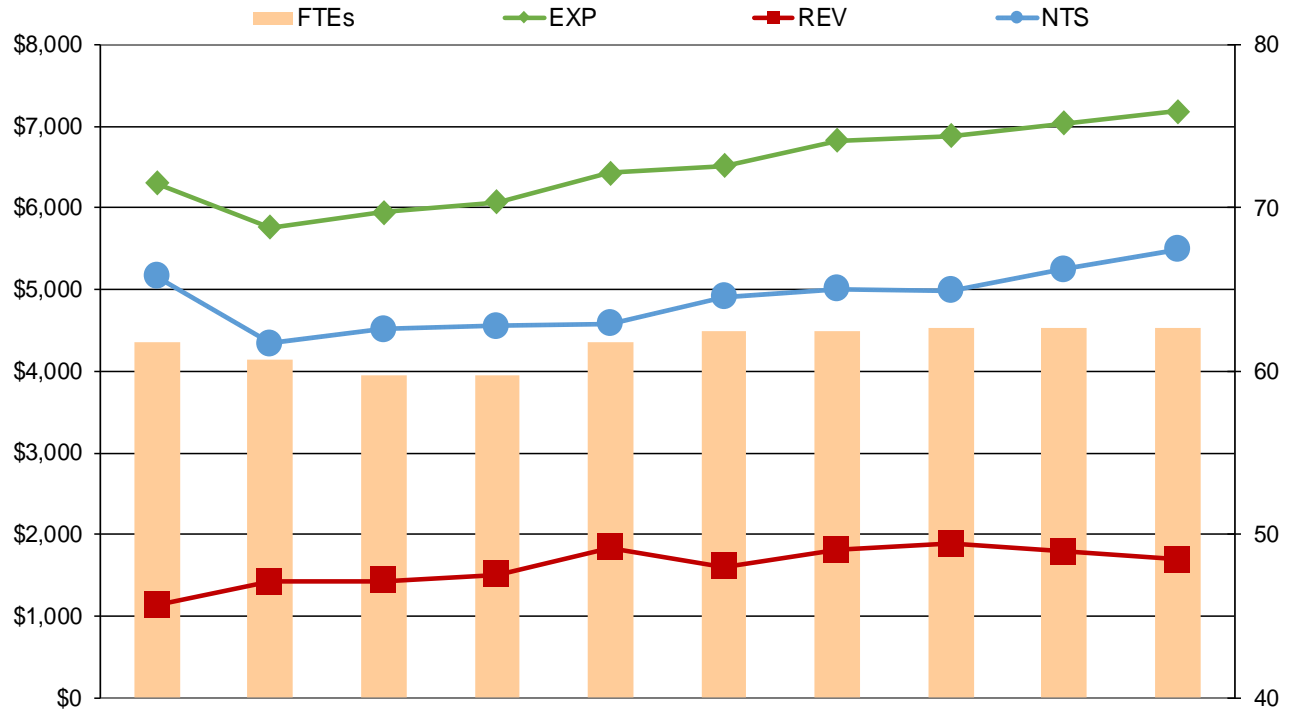
- Total delinquent clearances increased in FY 2017 due to collection of a large agency account and an increase in collection of business license taxes. FY 2018 and FY 2019 are projected to decline due to a decrease in personal property delinquency.
- Administrative collection fees - Compliance include the commissions earned for collection of delinquent accounts assigned by County agencies. Collection fees vary from year to year based on the clearances for the fiscal year and are also dependent on the number of accounts assigned for collection.
- Administrative collection fees - Court Collections represents fees earned on the collection of delinquent court fines, costs, forfeitures, penalties and restitution, and is subject to change annually. FY 2014 was the first full year of collection for the courts. Fees from court collections increased during FY 2015 as the result of collectors having more expertise in collecting court accounts. FY 2016 was the first year under a new court collections commission structure; as a result of the new revenue-sharing formula mandated by the state, \$24,030 of the Court Collection fees earned in FY 2016 had to be submitted to the state in FY 2017; \$17,552 of the Court Collection fees earned in FY 2017 had to be submitted to the state in FY 2018. These fees are based on delinquent clearances for Courts, which are expected to decrease in FY 2018 and FY 2019.
- The calculation for total clearances/FTE includes 0.66 FTEs, which prior to FY 2015 were contracted by the county.
- In FY 2017, delinquent clearances for business licenses included several high-dollar clearances, which do not occur every year.
- Delinquent clearances for other debt is highly variable and dependent on debt assigned to the Treasurer's Office by other County agencies.
- The decrease in delinquent clearances for other taxes (primarily meals tax) in FY 2015 can be attributed to staff turnover and training. In FY 2016, clearances increased as the result of improved reporting and a more experienced collection staff. Clearances continued to increase in FY 2017, reflecting the additional resources dedicated to the collection of delinquent meals taxes.
- Delinquent clearances for parking tickets are dependent upon the number of parking tickets issued. A new parking ticket system was implemented late in FY 2016 resulting in lower issuance during the transition period.
- Delinquent clearances for personal property continue to decrease as a result of procedures initiated in FY 2013 which target aged balances from prior years. Clearances are expected to

COMPLIANCE AND LITIGATION

decrease in FY 2018 based on fewer accounts going delinquent and the lower dollar amount of personal property delinquencies.

- An increase in delinquent real estate clearances is anticipated for FY 2018 because of an increase in the tax rate for CY 2017 and an increase in the number of properties eligible for tax sale.
- Delinquent clearances for courts decreased in FY 2017 and is expected to continue to decline in FY 2018 and FY 2019 because new rules enacted by the Supreme Court of Virginia will decrease the number of delinquent accounts referred to the Treasurer for collection.

EXPENDITURE, REVENUE, NET TAX SUPPORT, AND FULL-TIME EQUIVALENT TRENDS



	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
\$ in 000s	Actual	Actual	Actual	Actuals	Actuals	Actuals	Actuals	Actuals	Adopted Budget	Proposed Budget
EXP	\$6,300	\$5,761	\$5,943	\$6,068	\$6,423	\$6,516	\$6,821	\$6,879	\$7,035	\$7,182
REV	\$1,136	\$1,425	\$1,430	\$1,512	\$1,840	\$1,607	\$1,812	\$1,891	\$1,786	\$1,695
NTS	51.64	43.36	45.13	45.56	45.83	49.09	50.09	49.88	52.50	54.88
FTEs	61.75	60.75	59.75	59.75	61.75	62.41	62.41	62.66	62.66	62.66

Fiscal Year	Description	FTEs
FY 2010	▪ Eliminated an Administrative Assistant IV position (\$44,641, 1.0 FTE) in the Operations Division.	(1.0)
	▪ Added funding for an overstrength position (\$79,841) in the Administration and Special Projects Division.	
	▪ Decreased personnel expenses by \$164,182 in anticipation of higher staff turnover during FY 2010 and elimination of temporary position (0.4).	(0.4)
FY 2011	▪ Eliminated a Treasury Specialist position (\$78,814, 1.0 FTE) in the Compliance Division.	(1.0)
	▪ Reduced the non-personnel budget for unclassified services (\$1,000), consultants (\$1,500), county publications (\$2,000) and wearing apparel (\$1,792).	
FY 2012	▪ Transfer of 1.0 FTE to the Department of Technology Services for support of the ACE system.	(1.0)
FY 2013	▪ No significant changes.	
FY 2014	▪ Added two limited-term collector positions (\$119,426), non-personnel and consultant expenses (\$25,950), and revenue (\$445,376) to enable the Treasurer’s office to collect over \$15.0 million in overdue Circuit Court and General District Court debt. The positions will be eliminated when the fees generated from court collections do not fully offset the costs associated with program.	2.0
	▪ Held Management Specialist position vacant for six months (\$57,926).	
	▪ Increased grant funds due to a partial restoration of cuts in local aid from the State (\$21,135) and an increase in State Compensation Board reimbursements (\$13,666).	
FY 2015	▪ Increased fee revenues due to increased compliance collections (\$250,000), a change in the methodology of court collections (\$99,624), additional dog licensing fee revenue (\$10,000), and iPark device fee revenue (\$1,200).	0.66
	▪ Increased grant funds due to an increase in State Compensation Board reimbursements (\$7,290).	
	▪ Added 0.66 FTEs to the Compliance division in order to convert three enforcement agents from contractors to part-time employees.	

Fiscal Year	Description	FTEs
FY 2016	<ul style="list-style-type: none"> ▪ Decreased fee revenues due to lower delinquent court fine collections (\$139,055), a reduction in court fine collection fees to the County due to General Assembly action (\$114,000), decreased iPark fees (\$45,700), and a transfer of DMV select revenue to the Commissioner of Revenue’s Office (\$22,000), partially offset by an increase in administrative compliance fees (\$75,000) and returned check fees (\$10,000). ▪ Increased grant revenues due to an increase in State Compensation Board reimbursements (\$24,656). ▪ <i>The County Board reduced the Real Estate late payment penalty for taxpayers who pay after but within 30 days of the due date to 5 percent. Taxpayers who are more than 30 days delinquent continue to incur a 10 percent late payment penalty.</i> 	
FY 2017	<ul style="list-style-type: none"> ▪ The County Board added a partial FTE to assist with Court Fines and Fee collections. ▪ The two limited-term collector positions were converted to permanent FTEs. ▪ Decreased fee revenues due to lower administrative compliance fees (\$200,000), decreased iPark fees (\$60,000), reload fees (\$8,500) and deposits (\$4,000), partially offset by an increase in court collections (\$157,892) and Easy Park revenue (\$48,000). ▪ Decreased grant revenues due to a decrease in State Compensation Board reimbursements (\$1,170). 	0.25
FY 2018	<ul style="list-style-type: none"> ▪ Increased fee revenue due to a higher anticipated administrative compliance and court collections fees (\$162,163) and an increase in dog licensing fee revenue (\$10,000), partially offset by decreased iPark fees (\$32,249), reload fees (\$1,000), and a decrease in Easy Park meter revenue (\$6,694). ▪ Decreased grant revenue due to an adjustment in the State Compensation Board reimbursements (\$6,522). 	

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