

074 - TREASURER-TAX COLLECTOR

Operational Summary

Mission:

To provide efficient and effective investment, cash management and property tax collection services for the County, cities, special districts and school districts.

Strategic Goals:

- Manage and preserve the investment of all service recipient funds.
- To collect all property taxes for service recipients in accordance to applicable laws.

Key Outcome Indicators:

Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
NET INVESTMENT RETURN. What: Obtain a portfolio yield that meets or exceeds the 90-day US T-Bill and money market benchmarks. Why: To continue to provide safe, efficient and effective investment returns for our clients.	Exceeded the 90-day US T-Bill benchmark by 60 basis points. Exceeded money market benchmark by 23 basis points.	Continue to exceed benchmarks.	On target.
ADMINISTRATION FEE CHARGED TO POOL PARTICIPANTS. What: To charge the lowest administration fee possible. Why: To provide a modest investment return to pool participants with minimum administrative costs.	Administration fee stayed at 12.50 basis points (i.e., 0.125%).	Administration fee to remain at 12.50 basis points (i.e., 0.125%).	On target.
RATING OF INVESTMENT POOL. What: Maintain highest rating. Why: To assure safest money market practices are being followed.	Obtained a AAA/V1+ rating. School pool downgraded to AA/V1+ until July 18, 2001 when one investment matured.	Maintain a "triple A" credit rating.	On target.
STATE PROPERTY TAX COLLECTION RATES FOR SECURED AND UNSECURED PROPERTY. What: Exceed state property tax collection rates for Secured & Unsecured prop by minimizing unpaid taxes. Why: To maximize collections in property taxes for service recipients and County General Fund.	Collection percentage ratings for Secured and Unsecured property taxes exceeded state median. Of the 58 counties in the State of California, Secured tax collection is currently ranked 5th highest with 98.5% collection. Unsecured tax collection is ranked 18th highest with 96.2% collection.	To continue to exceed the state median.	On target.

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	12,573,535
Total Final FY 2003-2004 Budget:	14,441,208
Percent of County General Fund:	0.59%
Total Employees:	92.00



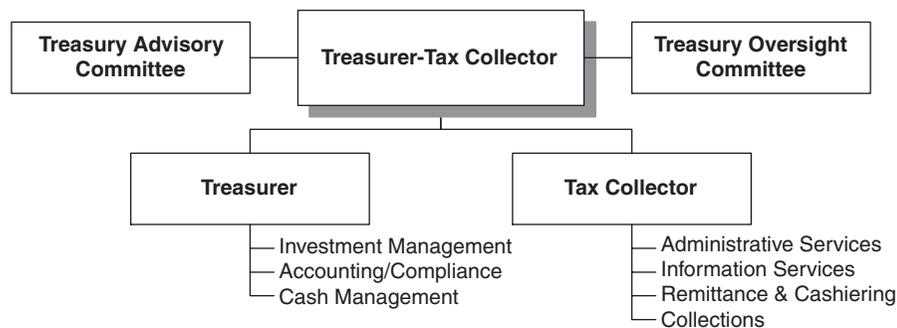
Key Outcome Indicators: (Continued)

Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
INVESTED CASH POSITION (PERCENT OF AVAILABLE FUNDS INVESTED). What: Maintain a maximum invested cash position. Why: To enhance portfolio returns on invested cash by minimizing idle funds.	The average invested cash for the County was 99.85% and 99.87% for the Department of Education.	The percent invested should slightly increase due to the complete closure of old bank accounts and the implementation of controlled disbursements.	On target.

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Added the Prior Year Secured Delinquent Tax Roll to our website, which has resulted in increased usage by the general public and commercial users.
- Implemented a Two-Pass Remittance Processing System, which improved our ability to process tax payments.
- Implemented software which allows our taxpayer service personnel to e-mail images of tax bills, payments, and previous correspondence to taxpayers who request it.
- Obtained AAA/V1+ ratings on both the County Investment Pool and the Educational Investment Pool.

Organizational Summary



TREASURER-TAX COLLECTOR - Provides centralized treasury and tax collection services for the County of Orange.

Cash Management: Provide bank-related services and relationship management, cash optimization and forecasting, and financial electronic commerce solutions.

TREASURER - Responsible for the receipt, custody, depository, investment, and recording of funds for the County, school districts, and special districts. Responsibilities also include issuance of short-term debt on behalf of the County and school districts. In addition, this office acts as trustee in connection with unclaimed property and is responsible for the issuance, billing, collection, redemption, and foreclosure of improvement bonds.

Accounting/Compliance: Provide financial reporting, fund accounting, general ledger reconciliations, bank reconciliations, investment accounting and compliance services, and defined benefit plan administration.

Investment Management: Provide portfolio management, broker/dealer relations, investment/economic research, liaison for oversight committees, and custody relation services.



TAX COLLECTOR - Responsible for collecting taxes on all Secured and Unsecured property in Orange County. In addition, this office is responsible for the sale of property subject to the “power to sell,” formerly known as delinquent tax deeded property. As well as collecting Annual Racehorse Taxes, Transient Occupancy Taxes, and Public Defender judgments, the Tax Collector also provides remittance processing services, information system services, and departmental administrative support.

Collections: Provide centralized tax compliance services for delinquent unsecured tax collections, prior year secured property tax collections, public defender judgment collections, public information services, property tax problem payment processing, and general correspondence.

Remittance & Cashiering: Provide automated remittance processing for all property tax rolls, refund accounting, tax roll accounting, and cashiering for the Treasurer.

Administrative Services: Provide tax roll reconciliation's, purchasing, contract administration, human resources, payroll services, budget, facility operations, telephone, and network services for the Treasurer and Tax Collector Offices.

Information Services: Provide systems development and maintenance support for numerous Treasurer-Tax Collector applications required for the depositing, accounting, and collecting of funds.

Ten Year Staffing Trend Highlights:

- Since 1994-95, our department's staffing level has only changed by a net of one position, and no additional positions have been requested for Fiscal Year 2003-2004.
- Despite the modest increase in staffing during this time, as workloads have continued to grow (the number of real property tax bills increased from 717,000 to 780,000), our department has continued to excel in providing efficient and effective investment, cash management and property tax collection services for the County, cities, special districts and school districts, as evidenced by the following: 1)The highest rating (AAA/V1+) for the investment pools continues to be maintained; and 2)Collection percentage ratings for the Secured and Unsecured tax rolls continue to exceed the state median.

Budget Summary

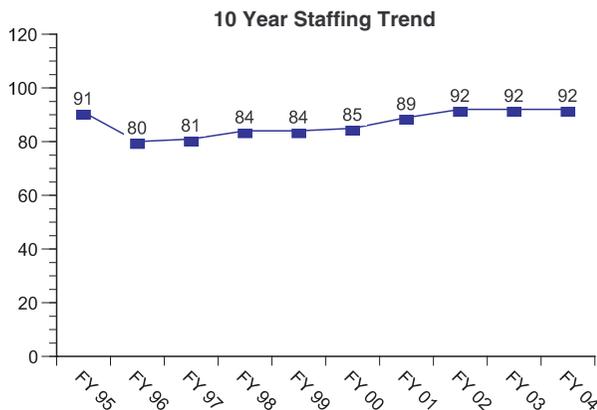
Plan for Support of the County's Strategic Priorities:

The Treasurer-Tax Collector will continue to pursue all major year 2003 service plan goals in support of County strategic priorities. We will continue to provide an effective, responsive and competitive organizational and operating structure. Staff will work diligently to meet our core business responsibilities of collecting and investing while supporting the successful implementation of new corporate programs.

Changes Included in the Base Budget:

The Fiscal Year 2003-2004 will see several of our Business Plan initiatives reflected in our proposed budget. The significant cost items are: (a) Increase in Salaries and Employee Benefits by \$1,051,622 to enable us to attract and retain staff who are committed to maintaining the highest standards of public service; (b) Increase in Services and Supplies by \$2,550,728, which is primarily due to higher merchant card services fees (as a result of increased credit card usage by the public), and increased Data Processing Services costs.

Ten Year Staffing Trend:



Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	92	92	92	0	0.00
Total Revenues	8,157,142	8,824,597	9,539,182	10,744,311	1,205,129	12.63
Total Requirements	11,131,932	12,744,507	12,582,224	14,441,208	1,858,984	14.77
Net County Cost	2,974,789	3,919,910	3,043,042	3,696,897	653,855	21.49

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Treasurer-Tax Collector in the Appendix on page 503.

Highlights of Key Trends:

- We are an administrative function that is task-oriented. We expect our investment results to consistently outperform our benchmarks. We will continue to provide our constituents with efficient and effective investment, cash management and property tax collection services.

Budget Units Under Agency Control

No.	Agency Name	Treasurer-Tax Collector	Treasurer	Tax Collector	Total
074	Treasurer-Tax Collector	488,996	6,133,340	7,818,872	14,441,208
107	Remittance Processing Equipment Replacement	150,640	0	0	150,640
	Total	639,636	6,133,340	7,818,872	14,591,848