

2019



Legislative Reference Bureau

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TREASURER

2019 Proposed Plan and Executive Budget Review

Prepared by: Aaron Michelson, Legislative Fiscal Analyst
Budget Hearing: 1:30 pm on Wednesday, October 17, 2018
Last Updated: October 15, 2018

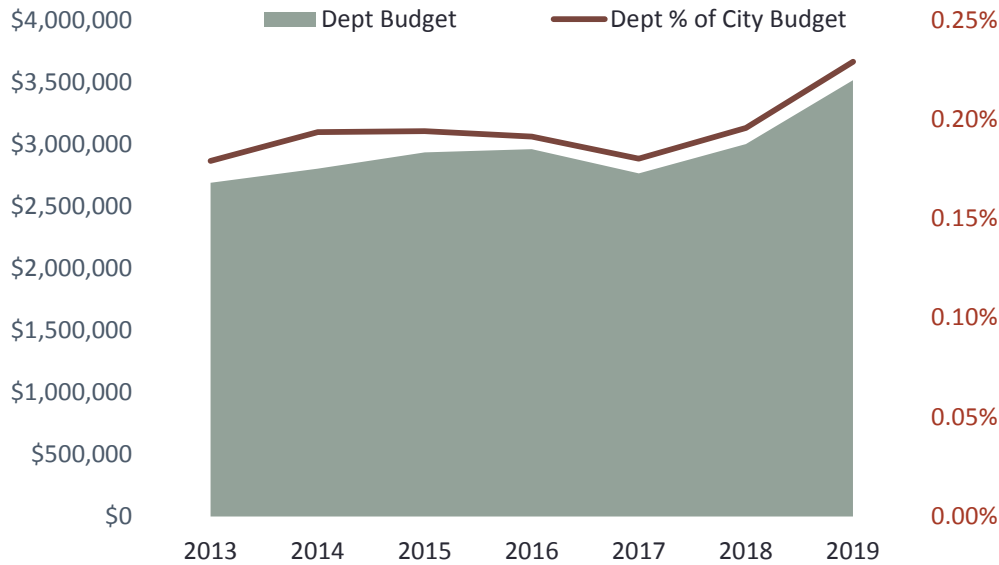
Version 1.0



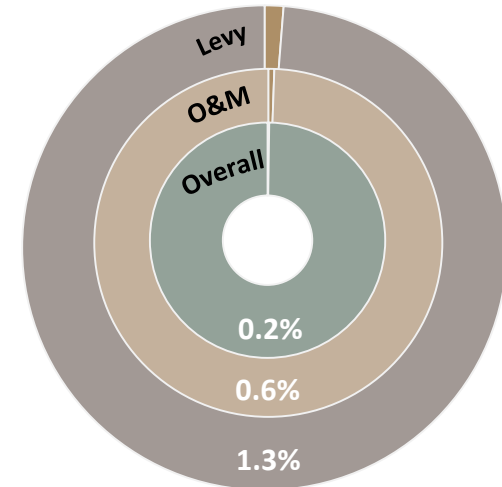
\$3,515,255
Proposed 2019 Budget

\$514,558
Change in Proposed Budget

17.1%
% Change in Proposed Budget



Departmental Budget Impact

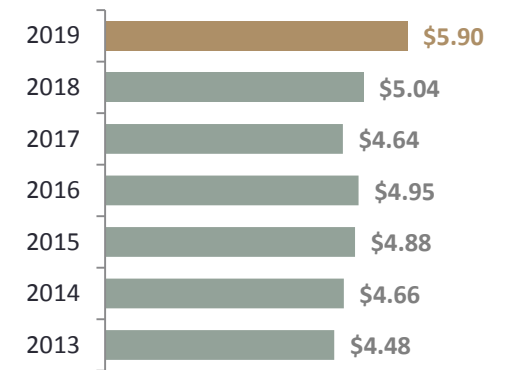


Departmental Budget Appropriation Category



	Salaries/Wages	Fringe Benefits	Operations	Equipment	Special Funds
\$	\$1,587,100	\$714,195	\$556,650	\$0	\$657,310
%	45%	20%	16%	0%	19%
Δ	1.7%	-0.5%	-18.6%	0.0%	1633.4%

Budget per Capita



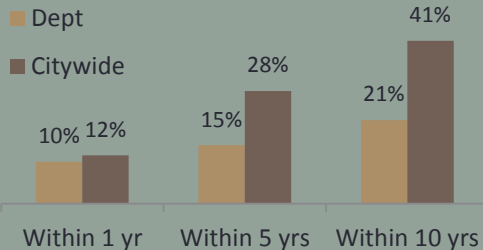
\$26,030

Increase in Salaries and Wages for the department, up 1.7% from the amount allocated in 2018.

\$636,335

Amount in Information Technology Services special fund. Fund will be utilized for information systems support of Munis Tax System.

Retirement Eligible



-11

Change in Positions

-18.6%

% Change in Positions

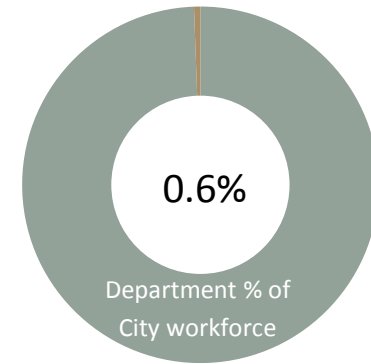
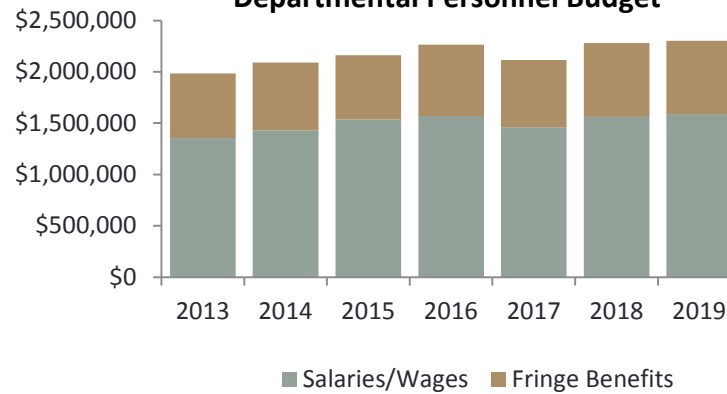
0

Current Vacancies

1

Voluntary Separations

Departmental Personnel Budget



Staffing Vacancies

There are no staffing vacancies at this time.

Staffing Update – Positions Eliminated

- 10 Temporary Customer Service Representative I eliminated
- 2 Customer Service Representative II (0.5 FTE) to 1 Customer Service Representative – Bilingual (1 FTE)



**Department Positions
2013-2019**

-\$126,965

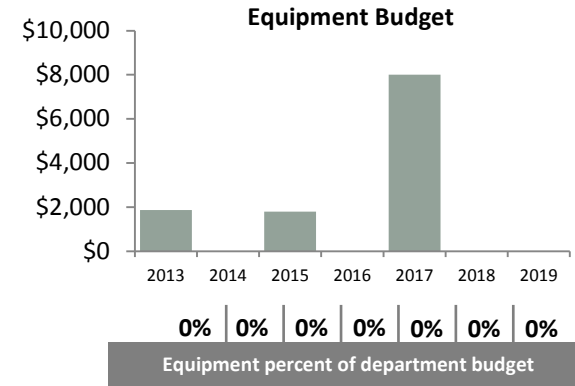
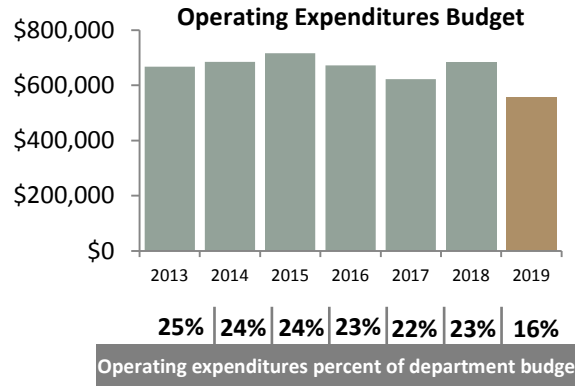
Decrease in Operations costs for the department, down 18.6% from the amount allocated in 2018, due largely to \$43,065 decrease in General Office Expense, and \$44,860 decrease in Information Technology Services.

\$1,630,200

Planned 2019 General Fund investment revenue realized on short-term pooled cash investments. Total balance of the cash investments is currently \$95 million.

\$712,163

Planned 2019 General Fund investment revenue realized on long-term pooled cash investments. Total balance of the cash investments is currently \$80 million.



Revenue

Top four areas of revenue estimated in 2019:

- General Fund Investment Revenue \$2,342,363
- City Tax Certificates – Interest & Penalties \$1,617,900
- Miscellaneous Revenue \$130,000
- Licenses – Dog & Cat \$88,700

Grants

This department receives no grant funding.

Capital Requests

There are no capital requests for this department.

Special Purpose Accounts

- City Collection Contract \$625,000

This special purpose account funds the fees and costs incurred by outside legal counsel in collecting delinquent property taxes referred for collection that have not yet been purchased by the Delinquent Tax Fund.

Special Funds

- Information Technology Services \$636,335
 - New fund for 2019
- Property Tax Collection Forms \$16,975
 - Up 3.4% from 2018
- Information Systems \$4,000
 - No change

21,897

Current delinquent real estate accounts, including 1,028 active cases in bankruptcy. The bankruptcy cases have \$8.465 million in delinquent property taxes.

\$49,937,503

Total current delinquent property taxes, including \$3,909,873 from levy years 2006-2012.

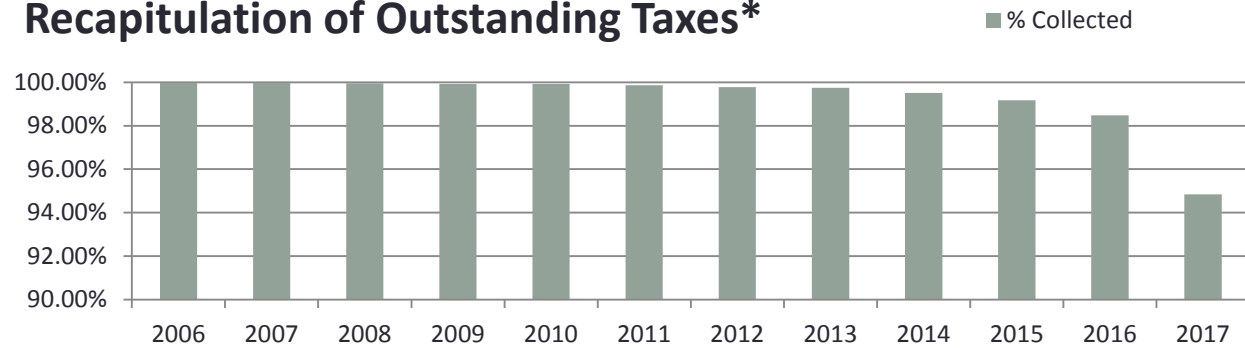
0.3409%

Planned cost of property tax collection in 2019 as a percentage of property taxes collected. This cost is up from a 2018 projected 0.2927%.

133

Parcels acquired in first *In Rem* Tax Foreclosure filing of 2018, out of 256 delinquent tax parcels. The second and third filings are currently in process against 612 delinquent parcels.

Recapitulation of Outstanding Taxes*



*Percent of property tax levy collected to date as of October 5, 2018.

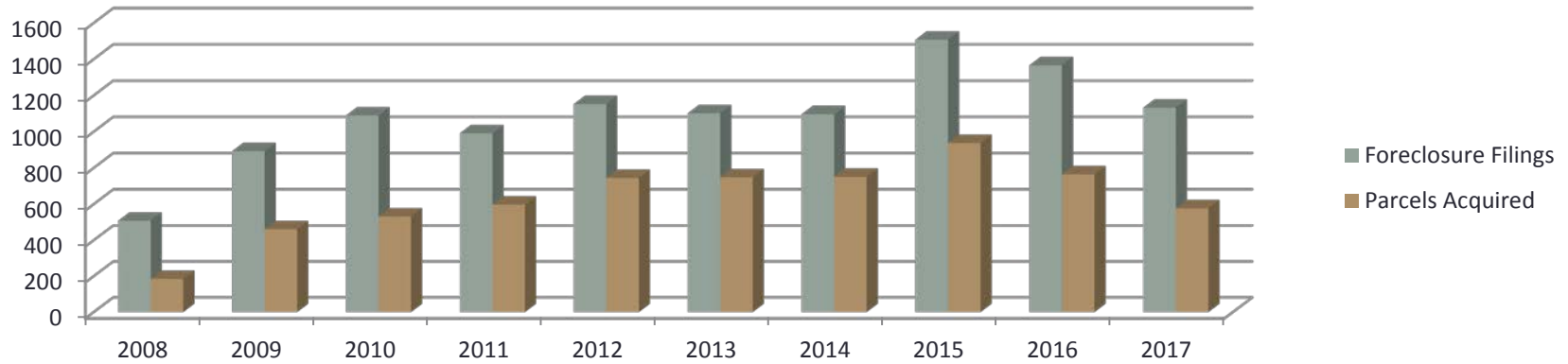
Legacy Tax Collection System Replacement

The legacy tax collection system was originally developed and supported in-house by the Department of Administration-Information Technology and Management Division (DOA-ITMD). In 2017, capital budget funding was secured to acquire the Munis Tax System from Tyler Technologies as a “commercial off the shelf” (COTS) system.

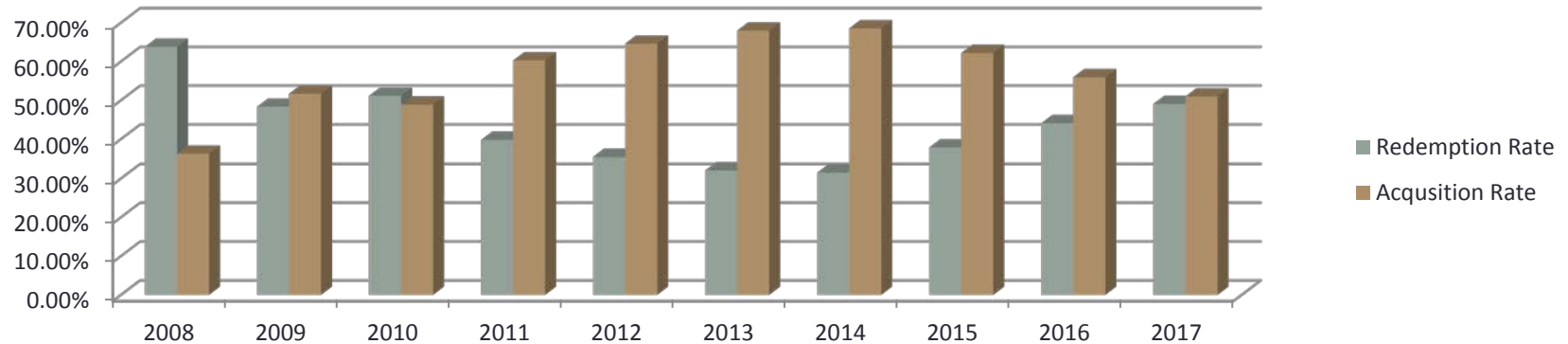
While Tyler Technologies assured that Munis Tax System could meet all of the requirements of the City, the COTS system did not accommodate a number of necessary functions such as ten monthly property tax installments, the production of property tax payment receipts, producing property tax refunds with integrated receipts, or generating a property tax report commonly referred to as a tax search. In addition, integrating Munis Tax System with iNovah Cashier, developing the requisite file imports and exports with City contract consultants for coordinated delinquent tax collection efforts, lock box payments and e-payments, and the printing of tax bills and receipts was fraught with obstacles. In addition, the City Assessor’s Patriot Computer Assisted Mass Appraisal (CAMA) system was not online for creating the 2017 tax roll and will not be available until 2019, so developing a file import from the existing CAMA system proved challenging as well.

A number of system modifications were necessary to meet the City’s requirements. Tyler Technologies now operates through a “software as a service” contract to provide the necessary system modifications and meet the City’s requirements. The City Treasurer’s office also continues to work with the City Assessor’s office, Tyler Technologies and other consultants to fully integrate iNovah Cashier and Patriot CAMA, and identify additional areas of enhancement for Munis Tax System.

In Rem Foreclosure Actions



In Rem Foreclosure Redemption and Acquisition Rates*



*The *In Rem* foreclosure process allows for an eight-week redemption period, during which the tax delinquent parcels may be redeemed and saved from foreclosure by paying the entire outstanding eligible delinquent tax balance due.