



**ALAMEDA COUNTY
TREASURER – TAX COLLECTOR
FISCAL YEAR 2020-2021**

Budget Work Session

Henry C. Levy
Treasurer-Tax Collector
April 14, 2020

- Provide Alameda County departments and other depositing agencies with a safe, secure and convenient countywide central banking facility and treasury administration services, including the investment of “idle” funds while awaiting their use for departmental operations;
- Provide timely and accurate real estate and personal property tax billing and collection services;
- Provide efficient business licensing services in Alameda County’s unincorporated areas; and
- Provide comprehensive in-house administration of the County’s deferred compensation programs.

Mandated Services

- Section 2602, et seq. of the California Revenue and Taxation Code requires the Treasurer-Tax Collector to bill, collect and process all real estate and personal property taxes.
- Section 2.58.070, Custody of Funds of the Alameda County Charter, requires the Treasurer to receive and secure revenues from all other sources.
- Chapter 3.04, Section 550 of the Alameda County Charter, requires the Tax Collector to administer the issuance and collection of business licenses in the unincorporated areas of the County.

Non-Mandated Services (Discretionary Services)

- By annual ordinance, the Board of Supervisors delegates its authority to invest "idle" funds in the County treasury to the County Treasurer. Government Code Section 53601, et seq. and the Treasurer's investment policy provides investment guidelines.
- By board resolution, the Board of Supervisors designated the County Treasurer as the Deferred Compensation Plan Officer in charge of the administration of the voluntary employee-contributory tax-deferred savings plans sponsored by the County:
 - a. The 457 (b) plan with after tax Roth feature for all county employees; and
 - b. The 401 (a) plan for certain qualified employee groups.



Thriving &
Resilient
Population

Reorganize the investment structure of the 457 (b) and 401 (a) Deferred Compensation Plans by exclusively offering institutional mutual fund shares, target date funds, and other alternative low cost investment options that are projected to improve asset growth within the program; offer debt-counselling services.

Provide a transparent fee structure that eliminates paying for plan fees through revenue-sharing and replacing it with direct “fee-for-service” charge to participants. The cost of fee-for-service would presumably be offset by the projected faster asset growth from new investment offerings of the above.



Prosperous &
Vibrant Economy

Increase collection of business license taxes in unincorporated county areas by actively identifying and enrolling unregistered businesses; actively audit business accounts to determine correct reporting of business revenues subject to business license taxation.

Continue efforts in convincing county officials to consider simplification of the Alameda County Business License Tax Ordinance, including an update to its provisions that would incorporate the taxation of the cannabis businesses.

Continue the use of the Treasurer's influence by working with local financial institutions in exploring possibilities and opportunities that provide financial services for housing, small business, and non-profits in Alameda County.



Collaboration

Continue collaboration with the Alameda County Office of Education and all other school and community college districts in developing a standard streamlined accounts/vendor-paying process that promotes operational efficiencies. Look into remote depositing opportunities.

Continue to work as teams with other agencies to increase revenue for our department as well as theirs.



Crime Free
County

Provide a more secure work environment by constructing a security barrier at the Tax Collector customer assistance counters.



Innovation

Continue to improve investment pool reports to the Board of Supervisors and the Public that shows not only investment performance but also includes environmental, social and governance risks in the investment portfolio.

Proactively set the Tax System Modernization project plan of action by leading its strategic direction towards either of: “In house” development by the County’s Information Technology Department (ITD); or vendor-developed system. Determine cost, obtain Board approval, secure funding, and issue an RFP, if necessary.

Reduce paper files by scanning in the shared drive.

Better procedures for our Collection Enforcement Unit that would aid the staff and result to more collection.



Fiscal Stewardship

Ensure that the Treasurer's banking services meet "best practice" standards for efficiency and cost effectiveness by soliciting service proposals from qualified banks through the RFP process. Award the banking services contract before 12/31/2020.

Maintain a healthy return on investments in the Treasurer's Investment pool (in the midst of a falling interest environment), by working actively with the investment consultant in developing a strategic investment plan and by improving cash-flow forecasting that fosters optimal terms to maturity without compromising liquidity, diversity and safety.

Continue to skip-trace returned mails for both unsecured accounts and secured supplemental accounts.

Accomplishments for FY 2019-2020

- Deployed the full implementation of New Tax Tools. Challenges continue to be encountered but, are collaboratively researched, corrected and resolved by the NTT Teams of ITD and Treasurer-Tax Collector.
- Completely replaced the security system of the department, especially in the area of the Cashier. Replaced cameras and monitors with high definition technology. Cost of the system was funded from FMR.
- Extended the third party administrative contract between the County and Prudential Retirement Services for a period of 3 years at reduced cost.

Accomplishments for FY 2019-2020

- Reduced the Unsecured Delinquent Accounts due to Skip-Tracing. The number of Unsecured Delinquent Accounts was reduced by almost 3,000 compared to last Fiscal Year.
- Reactivated Tax Defaulted Land dormant accounts and offer them at the upcoming auction. If auctioned, payment of property taxes will be activated too.
- Established a working collaboration with other departments in the business license office. We worked with PWA to not issue permit until a business license is obtained. This resulted in an increased of 67% in construction business licenses. We also began working with environmental health which resulted in about 7% increase in food business related licenses.

Accomplishments for FY 2019-2020

- We started using the clerk recorder's files and have identified FBN's not registered which resulted in revenue increase.
- Actively auditing businesses and have noted an increase average of 57% on unreported income.
- Full staffing of our Collection Enforcement Unit and in a period of 4 months, they have collected 93% of the cases assigned to them.

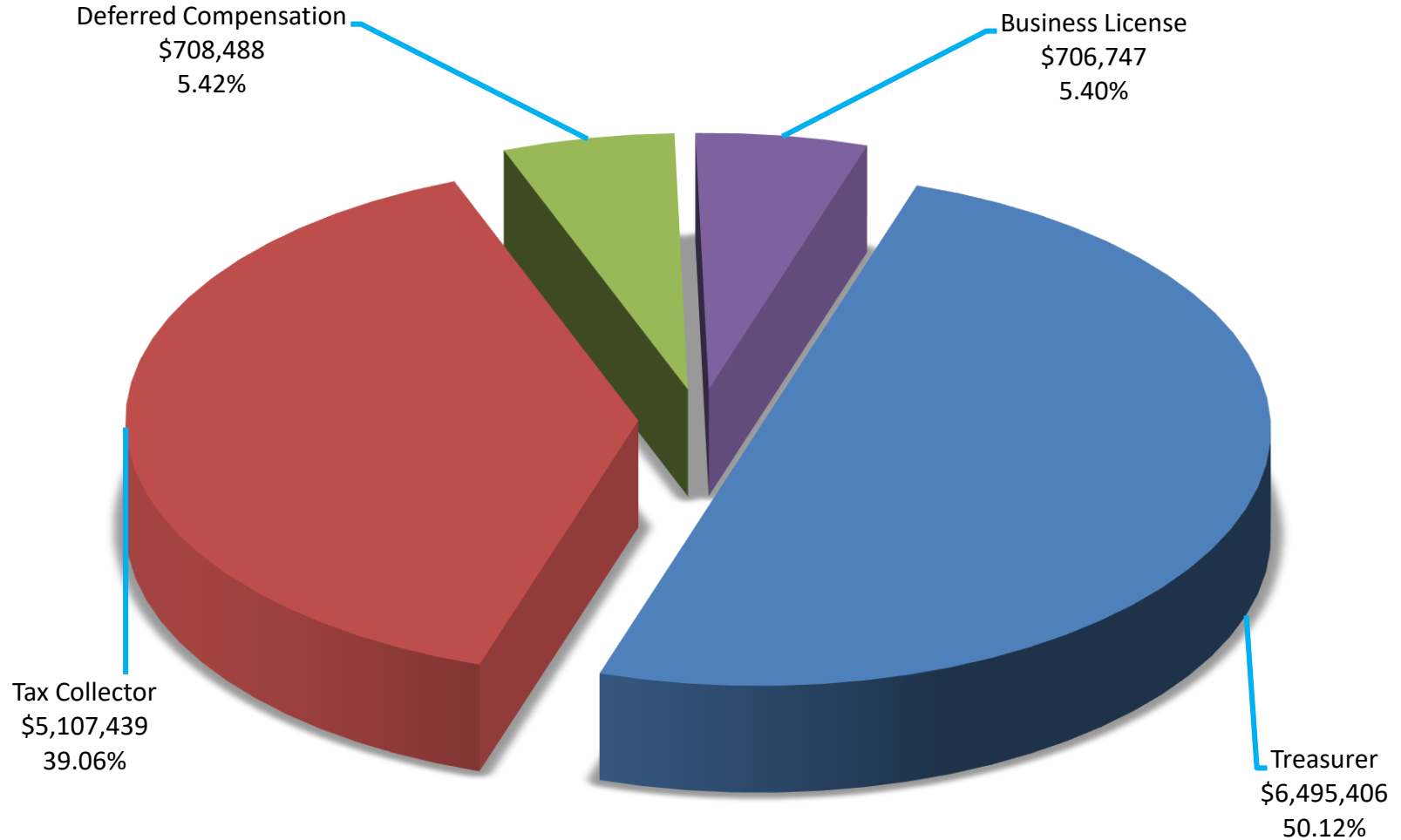
TREASURER-TAX COLLECTOR	FY 2019-2020	FY 2020-2021	Change from 2019-2020 Budget	
	Approved Budget	MOE Budget	Amount	Percent
Appropriations	12,717,416	13,018,080	300,664	2.36%
Revenue	9,585,089	10,252,153	667,064	6.96%
Net County Cost	3,132,327	2,823,770	-366,400	-11.70%
FTE - Mgmt	19.33	20.33	1.00	5.17%
FTE - Non Mgmt	35.14	34.14	-1.00	-2.85%
Total FTE	54.47	54.47	0.00	0.00%

Major Components of Net County Cost Change

Component	NCC Change
Salary and Employee Benefits (1)	\$ 237,118
Discretionary Services and Supplies (2)	\$ 479
Non-Discretionary Services and Supplies (3)	\$ 63,067
Revenue Accounts (increase) (4)	\$ 667,064
Total NCC Change	- \$ 366,400

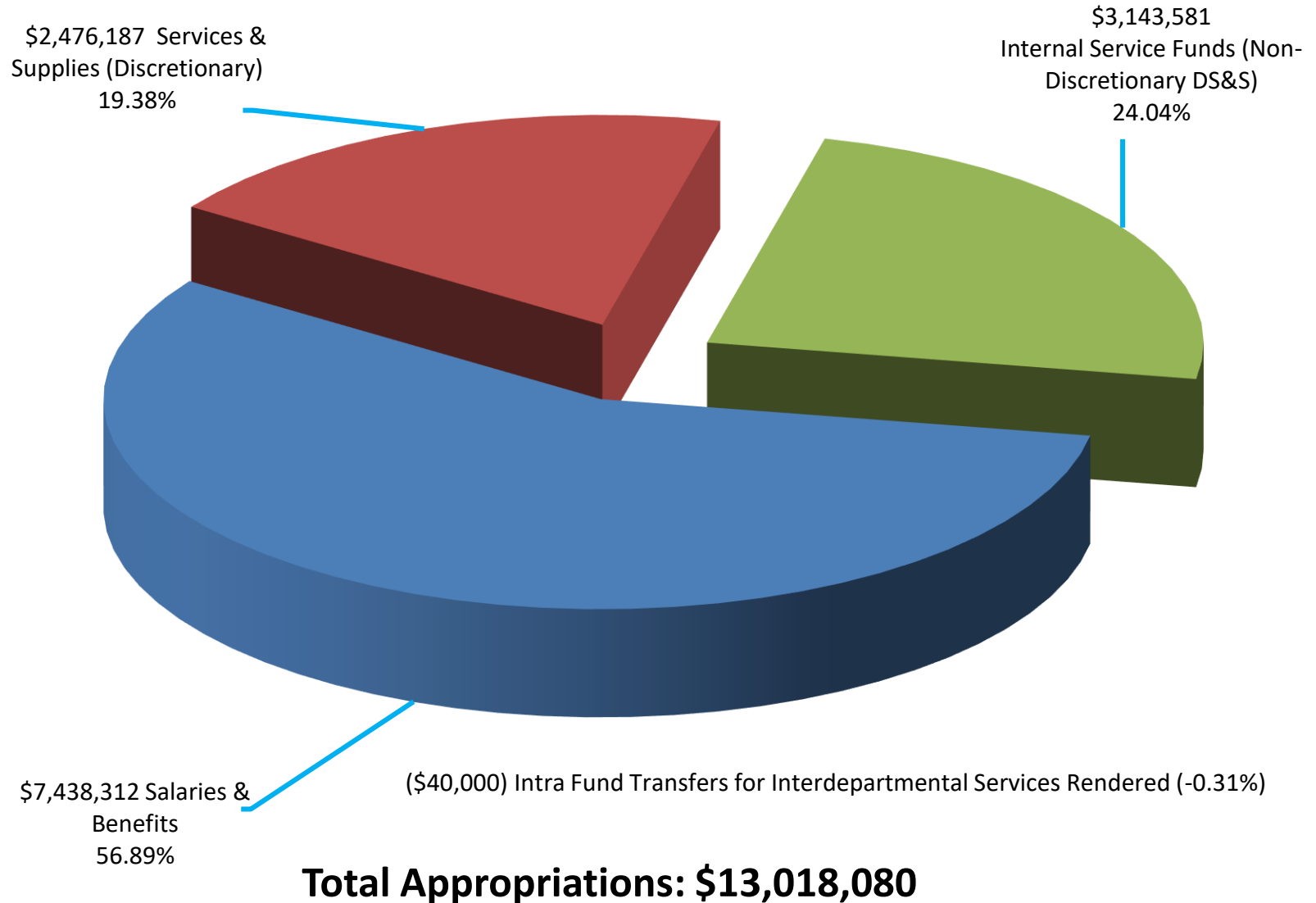
1. Increase in S&EB is due to the net effect of salary adjustments from step increases and cost of living adjustments.
2. Increase in DS&S related to Legal Fees offset by adjustments for position reclassifications
3. Increase in Non-DS&S related to increased ITD costs and other ISF funds.
4. Increase in revenues relates to the increase on Charges for Current Services.

Appropriation by Departmental Function

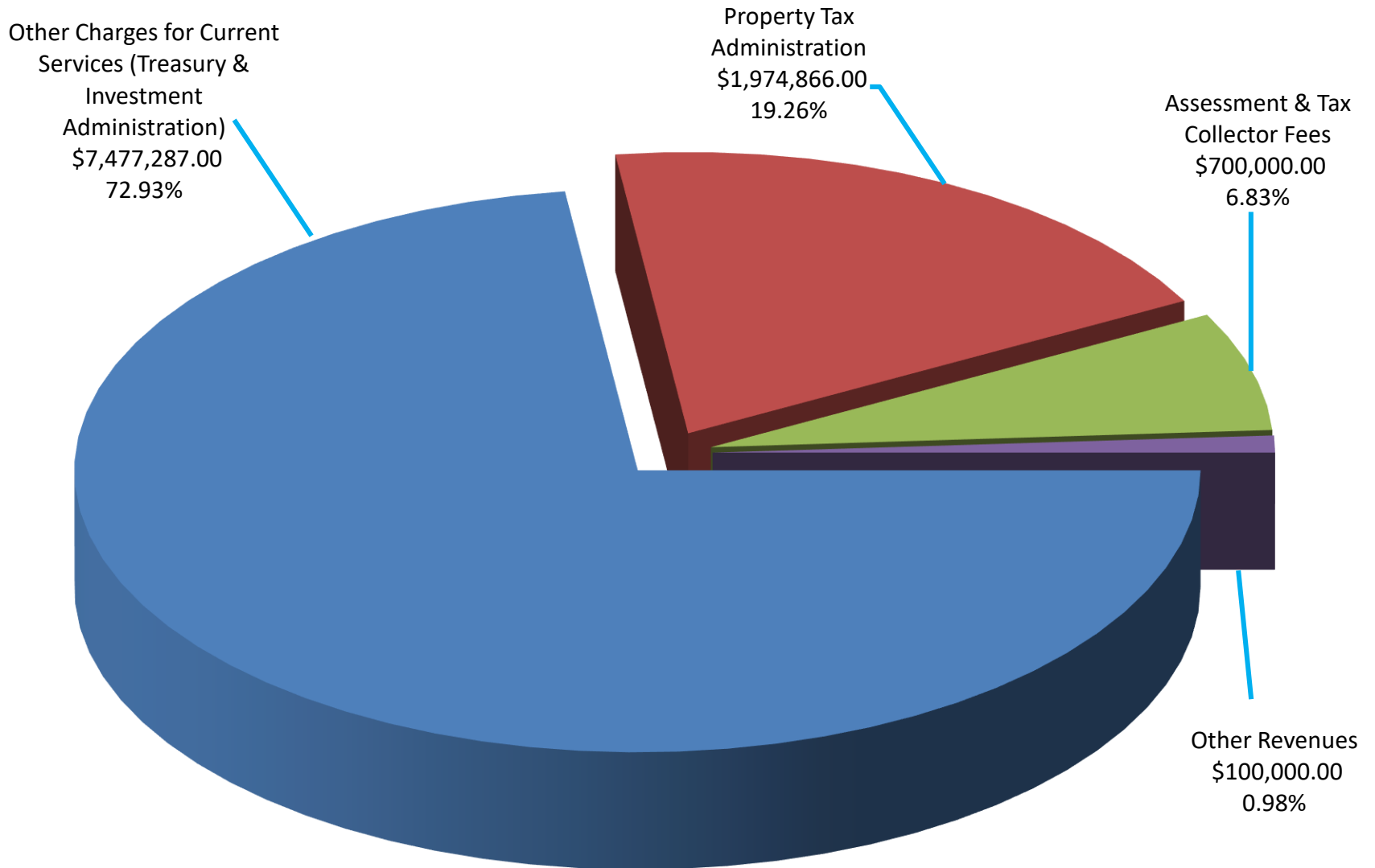


Total Appropriations: \$13,018,080

Appropriation by Major Objects



Total Revenue by Source



Total Revenue: \$10,252,153

Questions?
