



Treasurer

The Treasurer is a locally-elected constitutional officer whose duties are mandated by the Code of Virginia and local ordinances. The Treasurer is elected at-large for a four-year term and provides direct service to all Loudoun residents and businesses. The principal functions of the Treasurer's Office include billing and collecting taxes for real and personal property, business licenses, and other services as specified by the Code of Virginia and local ordinances; acting as primary depository of revenue for all County agencies, including Loudoun County Public Schools (LCPS); investing and safeguarding County funds; reconciling County funds to bank and investment accounts; and providing outstanding customer service to taxpayers, County staff, and LCPS staff.

Department Program

Administration of the Revenue

Collect real and tangible personal property taxes for the County and all seven incorporated towns and serve as the depository for cash receipts for all County and LCPS agencies.

Activities

- Administration of Revenue
- Revenue Accounting and Auditing of Funds
- Investment and Treasury Management of Funds
- Tax System Support

Financial Information

FY 2024 Adopted Information

	Expenditures	Revenue	LTF	FTE
Administration of the Revenue	\$8,157,650	\$31,204,845	\$(23,047,195)	56.00
Total	\$8,157,650	\$31,204,845	\$(23,047,195)	56.00



Treasurer: Administration of the Revenue

Administration of Revenue

What We Do: This activity serves as the main depository for all real and tangible personal property taxes, utilities, services fees, transient occupancy taxes, sales and use tax, and other miscellaneous invoices, including those for LCPS. The comprehensive program prepares and mails tax bills; collects and processes revenue; provides customer service relating to taxes; and accounts for all revenue from County residents, agencies, departments, and programs. Therefore, this activity also includes controls on billing and collections of such revenue that comply with applicable laws. This activity includes courier services for revenue collection throughout the County to those County agencies not located at the Government Center. This activity also collects non-payment of invoices using various collection methods authorized by law.

The Treasurer's Office receives revenue collection in the following ways: by mail, in-person at two offices (Sterling and Leesburg), online credit card, online electronic check, online bill payer services, through wire and/or automatic debit (ACH), and via interactive voice recognition methods. Drop boxes are conveniently located outside of both offices.

Mandate Information: Revenue collection is mandated by both the Code of Virginia and Loudoun County Codified Ordinances. In accordance with the Code of Virginia Chapter 58.1, the Treasurer is mandated to bill within 14 days of a due date; to collect County taxes and town taxes¹, taking additional steps as needed if delinquent taxes exist; and to deposit County funds in a timely manner. The Code of Virginia allows for the use of credit cards as a payment method and electronic billing as an alternative delivery method. Receivable administration for special tax districts is mandated in accordance with both Loudoun County Codified Ordinances and/or Virginia Code.

Who Does It: County staff provides this activity, supplemented by contracted services for lockboxes and printing and mailing tax bills.

Why We Do It: The Treasurer's Office is the financial officer for the County, collecting taxes and local fees, and making payments on behalf of the local government. The Treasurer's Office is responsible for every form of revenue that comes to the locality including taxes, permit fees, and fines. This also includes managing investment of local funds and maintaining records. County and LCPS operations and budgets are dependent on proper billing, collection, and safeguarding of all tax revenues, while ensuring proper accountability and financial controls are maintained at all points during the processes.

How We Do It Now – Current Service Level: Current service level includes processing semi-annual collections for real estate taxes and personal property taxes, monthly collection of fiduciary taxes, and annual collections for business license taxes. On an annual basis, the Treasurer's Office mails approximately 825,000 bills for real estate and personal property taxes. Current service level includes processing more than 1.5 million transactions (excluding online transactions) and approximately 150,000 delinquent actions annually, as well as responding to nearly 100,000 taxpayer inquiries annually.

How We Plan to Do It in the Future – Recommended Service Level: The County recognizes the evolving shift in how revenue will be collected. In the future, the Treasurer's Office envisions having payment kiosks in various locations throughout the County, and continuing to monitor trends on how new payment methods are utilized to ease the burden for citizens.

¹ The County has memorandums of agreement with the Towns of Hillsboro, Leesburg, Lovettsville, Middleburg, Purcellville, and Round Hill to collect real estate and personal property taxes on behalf of these incorporated towns. Revenues collected on behalf of the towns are remitted back to the towns, less a fee to offset the cost of the program.



Treasurer: Administration of the Revenue

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimated	FY 2025 Projected
Bill semi-annual real estate, semi-annual personal property, and annual business license taxes.					
Number of real estate bills issued	261,692	256,758	258,010	282,496	311,452
Number of personal property bills issued	651,135	499,738	489,314	513,780	539,469
Process tax- and non-tax- (fines, permit fees, charges for service, commonwealth, and federal aid) related payments.					
Number of tax-related transactions processed (excluding online payments)	2,095,027	2,069,308	2,078,347	2,182,264	2,291,378
Number of non-tax-related transactions processed (excluding online payments)	18,927	22,360	23,459	24,632	25,864
Number of payments made online	665,000	211,000	8,000 ¹	8,000	9,000
Total value of tax collected online	\$363,000,000	\$450,000,000	\$596,000,000	\$656,000,000	\$787,000,000
Take proper collection actions for any delinquent accounts.					
Number of delinquent collection actions taken ²	102,049	49,755	56,979	59,828	62,819
Provide responsive customer service by responding to taxpayer inquiries.					
Number of taxpayer inquiries	110,331	129,001	121,151	127,209	133,569

¹ Beginning in the 4th quarter of FY 2022, the structure of the payment file changed by the vendor. Previously the file brought in the number of items paid. However, now only the account without an item count is brought in.

² Delinquent collection actions include liens, DMV stops, bankruptcy, court filings, etc. Multiple delinquent actions can be taken for a single account if it remains uncollected.



Treasurer: Administration of the Revenue

Revenue Accounting and Auditing of Funds

What We Do: The Revenue Accounting and Auditing of Funds activity involves managing the deposit and disbursement of all County and LCPS accounts, including tax refunds and operating expenditures. This activity is responsible for the reconciliation of more than 90 bank, investment, or credit card merchant accounts related to the County and LCPS ledger. The activity also manages the outstanding checks process and the state-mandated unclaimed property filing. Any disbursements mandated by Virginia Code or Loudoun County Codified Ordinances are reviewed, balanced, and processed through this program. This includes the mandatory remittance on the following: Transient Occupancy Tax, Health Department fees, Sheriff's Department fees, state sales tax, local fees and fines, Dulles Greenway, Metropolitan Washington Airports Authority revenue, Route 28 Tax District monthly remittance, Community Development Authority District remittance, Metro Tax District remittance, Greenleaf Tax District remittance, Tall Oaks Water and Sewer District remittance, and the Dulles Industrial Park Water and Sewer District. Additionally, the County assumed responsibility for billing, collecting, and administering real and tangible personal property for the Towns of Leesburg, Hamilton, Hillsboro, Lovettsville, Round Hill, Purcellville, and Middleburg. This program reconciles the daily and annual posting of all tax revenue and receivables that are maintained in the general ledger, including working closely with the controller in the preparation of the Annual Comprehensive Financial Report (ACFR).

Mandate Information: Under the Code of Virginia Title 58.1 (Taxation), the Treasurer is responsible for the receipt and disbursement of all County and LCPS funds. Specifically, the Code of Virginia §§ 58.1-3127 and 58.1-3127.1 requires the Treasurer collect and pay over all taxes and levies, keep correct accounts, and collect all amounts received by any County department or agency. Additionally, the Code of Virginia § 2.2-806 requires any state income tax payments received by the Treasurer to be transferred to the Virginia Treasury Office within one business day. The Code of Virginia § 55-1 Chapter 25 governs the disposition of unclaimed property, including intangible property. Additional mandates may apply to disbursements related to special districts and fees. The Code of Virginia § 58.1-3910.1 provides for the ability of the County Treasurer to bill and collect town taxes for real and personal property.

Who Does It: County staff provides this activity, with critical reliance on the tax system, Oracle, and bank interfaces.

Why We Do It: Not providing this activity could put the fiscal health of the County at risk by jeopardizing the ability of the County to accurately report financial data. Furthermore, the County's triple-AAA bond rating is partially dependent upon this activity. If this activity were not provided, there could be an increased risk of fraud, as timely reconciliation of County funds is an essential element of robust financial controls.

How We Do It Now – Current Service Level: Current service level supports 95 bank and investment accounts, for which 100 percent of bank reconciliations are completed within 60 days of the end of the month. Current service level also reflects processing approximately 50,000 tax refunds and 15,500 payment reapplications¹ annually. Staff completes an estimated 60 audits (internal and external) annually.

How We Plan to Do It in the Future – Recommended Service Level: This service level will continue as is. The County will continue to support all bank and investment accounts and complete the reconciliations within 60 days of the end of the month. The County will also continue to audit (internal and external) annually. This will ensure that the County continues with its triple-AAA bond rating.

¹ Reapplications are changes to tax account payments for the purposes of reallocating payments to multiple accounts. Examples include a payment for five accounts being redistributed from one account to five, or the transfer of a personal property tax payment from vehicle A to vehicle B when both vehicle A and vehicle B have the same property owner.



Treasurer: Administration of the Revenue

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimated	FY 2025 Projected
Monitor and verify all County disbursements and receipts by reconciling the County's bank statements to the County financial system within 60 days of month end.					
Number of bank and investment accounts reconciled	142	661	174	183	192
Average number of quarterly bank transactions	391,000	452,000	504,000	554,000	609,000
Percentage of bank reconciliations completed within 60 days	100%	100%	100%	100%	100%
Actively manage the outstanding checks process and the state-mandated unclaimed property reporting and filing.					
Average number of outstanding checks subject to unclaimed property filing each month	3,885	3,209	3,511	3,687	3,871
Research and process payment reapplications or authorize refunds for real property and personal property.					
Number of tax refunds authorized	51,184	59,437	58,214	61,125	64,181
Number of reapplications	8,344	13,417	13,243	13,905	14,600
Complete regular internal and external audits.					
Number of internal and external audits completed	233	234	219	220	220



Treasurer: Administration of the Revenue

Investment and Treasury Management of Funds

What We Do: This activity monitors the daily cash flow of both the County and LCPS, for the purpose of meeting the expenses for the entire County and LCPS system, including payroll and operating checks. Other duties include monitoring for check fraud; issuing County and LCPS wires, check payments, and automatic debit (ACH) transactions; administering bond proceed accounts through Commonwealth State Non-Arbitrage Program (SNAP) accounts; investing excess cash; and monitoring and reporting on the County's investments.

The Treasurer's Office works to obtain the highest possible yield on available County assets, consistent with constraints imposed by its safety objectives, cash flow considerations, and the County's Investment Policy. This activity maintains the County's primary banking relationship and associated services. The Loudoun County Finance Board, whose members are designated by Virginia Code, reviews the County's investment holdings and activities, and provides program guidance. This activity includes support to – and coordination of – the Finance Board.

Mandate Information: The Treasurer is required to deposit all County funds in qualified depositories, follow the County's Investment Policy, and adhere to multiple sections of Virginia Code. All financial institutions holding County funds must be qualified depositories, as defined by the Code of Virginia Chapter 44 (Virginia Security for Public Deposits Act, §§ 2.2-4400 through 2.2-4411). Investment of funds must strictly adhere to the Code of Virginia Chapter 45 (Investment of Public Funds Act, §§ 2.2-4500 through 2.2-4519). The Code of Virginia § 58.1-3132 requires the Treasurer to pay valid warrants and other legal demand instruments, as well as stipulates the rules for payment.

Who Does It: County staff provides this activity.

Why We Do It: This activity closely monitors the expenses associated with banking services to minimize the costs associated thereto. A thorough review of the County's cash flow and anticipated expenses is done to maximize the ability to invest. In-house investment management provides for a cost-effective manner of investing, which reduces outside management fees while allowing for a more concise view of cash flow needs to meet demands related to the growth of the County and LCPS. This activity also limits the County's exposure to fraud by providing additional fraud control and oversight of County and LCPS disbursements.

How We Do It Now – Current Service Level: Current service level reflects the management of an investment portfolio with an average dollar value in excess of \$1.0 billion¹. The Treasurer's Office strives to exceed the monthly benchmark rate of return. The current service level represents at least 35 percent of available funds maintained for liquidity. Staff processes approximately 12,000 ACH vendor transactions, approximately 550,000 ACH payroll transactions, and approximately 85,000 check payments (County and LCPS) annually. Current service level also reflects the initiation of approximately 1,000 wire payments annually.

How We Plan to Do It in the Future – Recommended Service Level: As prescribed by state code, the service level will remain consistent. The Treasurer's Office will continue to manage the investment portfolio and strive to exceed the monthly benchmark rate of return. Service levels will continue to represent at least 35 percent of available funds maintained for liquidity. Service levels for processing ACH vendor transactions, ACH payroll transactions, wire payments, and check payments (County and LCPS) are estimated to increase as the volume of transactions increases.

¹ As of August 2022, the average dollar value of the investment portfolio was \$1.204 billion.



Treasurer: Administration of the Revenue

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimated	FY 2025 Projected
Meet or exceed the established benchmark rate of return (identified below) for the County portfolio.					
Benchmark rate of return (12-month average)	0.08%	0.23%	3.07%	5.00%	4.00%
Average realized rate of return	0.34%	0.30%	2.41%	5.00%	4.00%
Average dollar value of investment portfolio	\$1,163,000	\$1,204,000	\$1,466,000	\$1,576,000	\$1,694,000
Analyze and determine cash flows to ensure no less than 30 percent of available funds are maintained for liquidity for the purposes of meeting the County's daily needs.¹					
Average percentage of available funds maintained for liquidity	66%	55%	50%	50%	50%
Number of electronic (ACH) deposits ²	14,142	15,864	17,426	18,000	18,750
Analyze, review, and authorize disbursements and warrants, as mandated in accordance with the Code of Virginia § 58.1-3132.²					
Number of ACH vendor transactions (County)	9,440	11,243	12,098	12,703	13,338
Number of ACH payroll transactions (County and LCPS)	533,147	533,147	597,037	626,889	658,233
Number of check payments issued (County)	56,093	52,250	52,884	53,000	53,000
Number of check payments issued (LCPS)	18,600	15,253	16,473	16,967	17,476
Number of wires initiated	896	979	1,014	1,065	1,118

¹ Actual percentages will vary depending on market conditions. A higher rate of available funds maintained for liquidity may indicate better rates of return on short-term investments.

² The number of electronic deposits is a factor in cash inflows, which impacts the amount of funds maintained for liquidity as well as overall workflow in identifying the purpose of funds.



Treasurer: Administration of the Revenue

Tax System Support

What We Do: This activity provides technical support for the County’s electronic tax system, including preparing reports, running queries, loading various payment files, generating bill extract files, preparing revenue extract files for County financial needs, and performing required scheduled maintenance. To provide this activity, staff works in conjunction with the Department of Information Technology, the system vendor, the Department of Finance and Procurement, and the Commissioner of the Revenue’s Office. While support from the vendor is provided, day-to-day technical administration and system support is the responsibility of the Tax System Support team. This activity also provides support for all revenue collection processed through the cashiering system. The support of the tax technical team is critical to the successful interfaces into the County’s general ledger system. Other systems that interface with the tax system include the property assessment system (including all its supporting interfaces from courts, Mapping and Geographic Information, and the Board of Equalization), the general ledger financial system, Virginia’s Department of Motor Vehicles (DMV) and Treasury Office, Animal Control software, the Land Management Information System, and the parking tickets system.

Data files relating to all receipting and tax administration functions are created in this joint system for upload to the County’s financial system daily. This activity also provides system security oversight for all the systems accessible through the Treasurer’s Office.

Mandate Information: This activity is not mandated; however, the technical support of the tax system and cashiering modules is required to meet the mandated tax administration requirements and the Treasurer’s revenue collection mandate under both Virginia Code and Loudoun County Codified Ordinances.

Who Does It: County staff provides this activity.

Why We Do It: The functionality of the tax and cashiering system is critical to the County’s ability to process, collect, and bill County and town taxes and interface other revenue collected countywide. The system security oversight provided by this activity is critical to ensuring that access to private information of taxpayers is secure. This activity is an integral part of delinquent collections efforts, with the development of automated file generations to the Virginia DMV and Treasury Office, as well as by working on a customized annual court judgment process for delinquent taxpayers. This activity provides solutions to payment applications, website design, and automation needs.

How We Do It Now – Current Service Level: Current service level supports more than 80,000 e-bills annually, as well as sending 756,000 personal property, real property, business tangible, and delinquent bills annually. Currently, the Treasurer’s Office processes and handles two million transactions annually and maintains a 99.81 percent delinquent personal property tax collection rate and a 99.96 percent real property tax collection rate. The Treasurer’s Office handles more than 129,000 taxpayer inquiries annually and performs 59,000 refunds due to tax adjustments from the Commissioner of the Revenue’s Office.

How We Plan to Do It in the Future – Recommended Service Level: The recommended service level is currently not clearly defined, but the Treasurer’s Office continuously monitors trends and projections. Staff monitors for new avenues of collection of payments as well as reviews online payment systems, collection activity software, computer software, and server technology that help with processing taxpayer inquiries, payments, and collections, as well as reporting more efficiently.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimated	FY 2025 Projected
Support the Treasurer’s Office in their mission to accept all deposits and disbursements.					
Number of e-bills provided to citizens	76,792	83,693	94,399	113,279	141,599