



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.

Treasurer's Programs

Administration of the Revenue

Collect County and School revenue, including real and tangible personal property taxes for the County and five of the seven incorporated towns, and serve as the depository for cash receipts for all County and School agencies.



Budget Analysis

Department Financial and FTE Summary¹

	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted	FY 2022 Proposed	FY 2023 Projected
Expenditures					
Personnel	\$4,359,491	\$4,864,544	\$5,538,254	\$5,714,554	\$5,885,991
Operating and Maintenance	1,454,106	1,554,474	1,823,848	1,870,822	1,889,530
Total – Expenditures	\$5,813,598	\$6,419,018	\$7,362,102	\$7,585,376	\$7,775,521
Revenues					
Other Local Taxes	\$7,081,843	\$7,296,326	\$7,475,000	\$7,591,000	\$7,591,000
Fines and Forfeitures	5,903	1,879	0	0	0
Use of Money and Property	20,109,626	18,031,674	12,000,000	2,300,000	2,300,000
Charges for Services ²	905,852	972,410	902,300	702,300	702,300
Miscellaneous Revenue	87,828	42,754	2,500	2,500	2,500
Recovered Costs	568,882	669,312	600,000	650,000	650,000
Intergovernmental – Commonwealth	336,203	346,224	347,674	347,674	347,674
Total – Revenues	\$29,096,138	\$27,360,579	\$21,327,474	\$11,593,474	\$11,593,474
Local Tax Funding	\$(23,282,540)	\$(20,941,561)	\$(13,965,372)	\$(4,008,098)	\$(3,817,953)
FTE	51.00	53.00	55.00	56.00	56.00

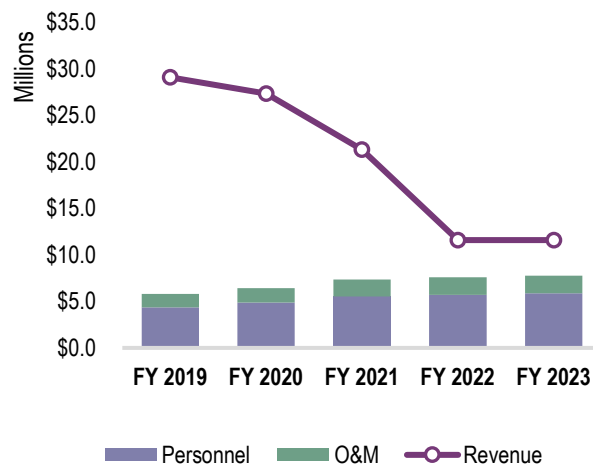
¹ Sums may not equal due to rounding.

² Effective January 1, 2021 the Treasurer will no longer collect court fines on behalf of the Commonwealth's Attorney.



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Revenue and Expenditure History



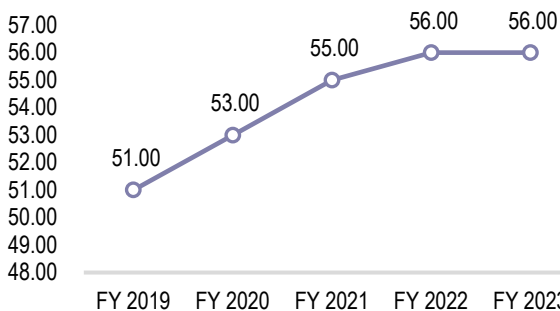
Revenue/Local Tax Funding

As shown, the Office of the Treasurer generates more revenue than necessary to support its own operations. Interest revenue, previously the largest revenue source, is anticipated to decline significantly during FY 2021 and into FY 2022 as a result of historically low interest rates. Despite this decline, the Office is still anticipated to generate more revenue than expenditures as a result of vehicle license fees.

Expenditure

The majority of the Office of the Treasurer's expenditure budget is dedicated to personnel costs. Major drivers of personnel increases are additional staffing as outlined in the Staffing/FTE History section, market and merit increases in each fiscal year, adjustments in FY 2020 and 2021 to reflect a new classification and compensation system approved by the Board in November 2019, and a 3.5 percent merit increase for FY 2021.

Staffing/FTE History



FY 2018: 1.00 FTE information services assistant

FY 2019: 1.00 FTE financial control specialist for town billing

FY 2020: 1.00 FTE banking specialist, 1.00 FTE collections program assistant for town billing

FY 2021: 1.00 FTE investment analyst, 1.00 FTE program specialist

The Office of the Treasurer's expenditures have increased primarily due to personnel costs. Personnel costs make up most of the Office's expenditures and have increased primarily due to additional staffing as outlined in the Staffing/FTE History section, market and merit increases in each fiscal year, adjustments in FY 2020 and 2021 to reflect a new classification and compensation system approved by the Board in November 2019, and a 3.5 percent merit increase for FY 2021. The FY 2022 Proposed Budget includes base adjustments to revenues to include a decline of \$9.7 million in interest revenue (Use of Money and Property) as a result of lower interest rates in response to the pandemic. Furthermore, effective January 1, 2021, the Treasurer ceased collecting court fine revenues on behalf of the Commonwealth's Attorney, reflecting a decline of \$200,000 in the Charges for Services category. The budget also includes a base adjustment for DMV stops of \$50,000 with an offsetting revenue increase. A DMV stop prevents those with delinquent tax accounts from renewing their vehicle registrations. An additional fee is placed on delinquent accounts to offset the fee charged to the County by the DMV.

The FY 2021 Adopted Budget included 56 positions (56.00 FTE) for the Treasurer's Office. Due to the unclear economic picture resulting from the COVID-19 pandemic, when the Board of Supervisors adopted the FY 2021 budget, most new expenditures, including new positions, were frozen until it was determined that revenues would be available to support those

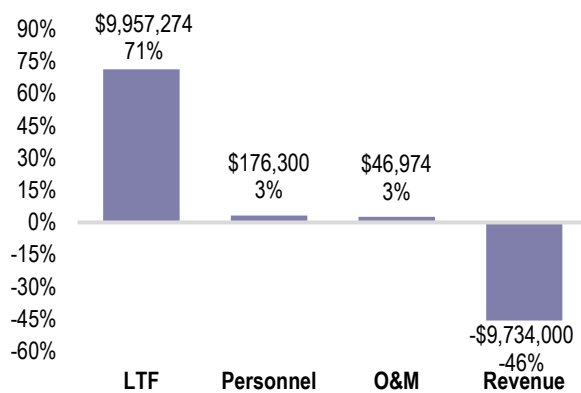
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expenditures. This included an investment analyst and program specialist for the Treasurer's Office. The Board unfroze the investment analyst with the initial release of frozen expenditures and positions on December 15, 2020. The investment analyst will support cash management and banking related services with a focus on the areas of security and fraud control, reporting, and the treasury management process for both the County and LCPS. The program specialist remains frozen until further Board action or until the start of FY 2022.

For FY 2022, the Department's budget request focus on the thematic area of internal support.

Internal Support

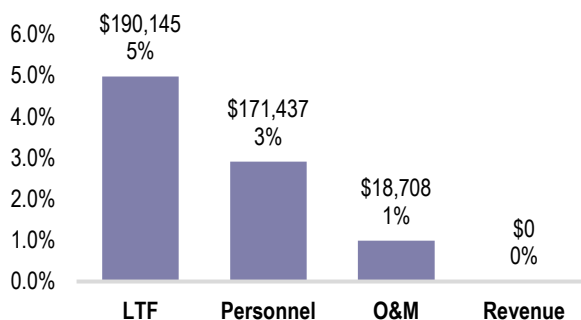
As a result of increased workloads related to an increasing number of tax accounts, additional revenue responsibilities due to collections for other departments, and large-scale projects like PCI (tax system), program staff in the Treasurer's Office have less and less time to manage routine administrative tasks. To address this issue, the FY 2022 Proposed Budget includes an operations manager (1.00 FTE). The proposed operations manager would provide back-up to the accounting and finance specialist while supporting administrative functions currently spread throughout the Office. Having a non-supervisory back-up to the accounting and finance specialist is vital to maintaining internal control and separation of duties and to meeting various deadlines for processing and receipting payments. Examples of routine administrative tasks include payroll and benefit responsibilities; accounts receivable and payable responsibilities; Compensation Board functions such as reimbursement requests, budget requests, and ongoing reporting; and compliance with HR policies. This position will allow for greater operational efficiency as non-administrative positions are able to focus on their primary roles and responsibilities.

Percent Change from Adopted FY 2021 to Proposed FY 2022**Reasons for Change:**

Personnel: ↑ 1.00 FTE, general pay changes ||

O&M: ↑ base budget adjustment for DMV stop

Revenue: ↓ interest revenue as a result of lower interest rates; ceased collection of court fines

Percent Change from Proposed FY 2022 to Projected FY 2023**Reasons for Change:**

Personnel: ↑ 3 percent || **O&M:** ↑ 1 percent

Revenue: ↔



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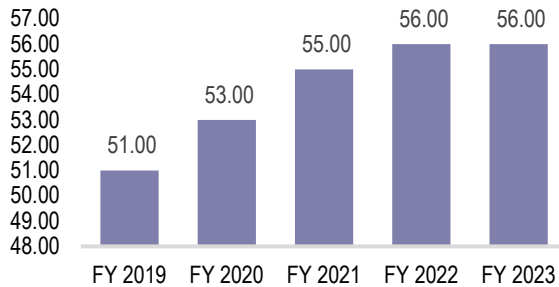
FY 2022 Proposed Resource Requests¹

Priority 1: Operations Manager						
Personnel:	O&M:	Capital:	Reallocation:	Revenue:	LTF:	FTE:
\$98,998	\$7,170	\$0	\$0	\$0	\$106,168	1.00
Details			Overview			
Service Level:	Current Service Level Request		<ul style="list-style-type: none">• This position will provide a back-up to the accounting and finance specialist and support administrative functions currently spread throughout the Office. A chief deputy currently serves as back-up.• Enhances internal control and separation of duties.• Examples of routine tasks - payroll, accounts receivable and payable, Compensation Board reimbursements, HR policies, employee benefits, etc.• This position will allow for greater operational efficiency and a greater focus on the administrative tasks of the Office.• Increasing workloads related to additional tax accounts, additional revenue responsibilities due to collections for other departments, and large-scale projects like replacement of PCI (tax system) limit staff's ability to manage day-to-day administrative responsibilities.• This position is necessary to meet various deadlines for processing and receipting payments.			
Mandates:	Not mandated, but necessary for compliance with federal, state, or local laws					
PM Highlight:	Treasurer Staffing Levels; Accounts Payable Activity Levels					
Program:	Administration of Revenue					
Positions:	1 Operations Manager					
Theme:	Internal Support					
One-time Costs:	\$6,495					
Recurring Costs:	\$99,673					
Department Total						
Personnel:	O&M:	Capital:	Reallocation:	Revenue:	LTF:	FTE:
\$98,998	\$7,170	\$0	\$0	\$0	\$106,168	1.00

¹ The requests presented display total cost, including the acquisition of vehicles, technology, and office furniture (as applicable). Funds for these items are shown in the Non-Departmental section, page 6-2.

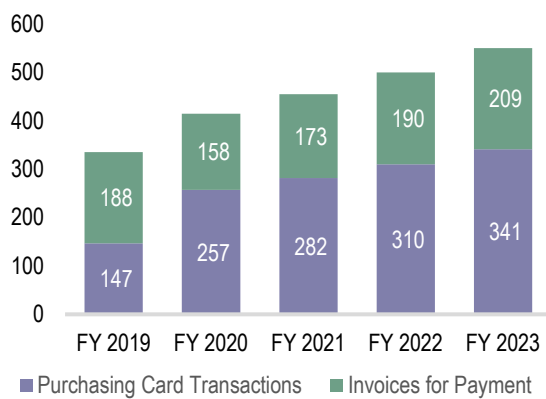


Key Measures¹



Measure: Treasurer's Office staffing.

As the staffing levels of the Treasurer's Office increase, so too do the administrative responsibilities associated with HR and payroll responsibilities. Since FY 2016 (47.00 FTE), staffing levels have increased 19 percent.



Measure: Number of accounts payable processed.

The level of accounts payable, including purchasing card transactions and invoices for payment, is expected increased 49 percent in FY 2022 compared to FY 2019. The increased number of transactions, coupled with increased workloads in other areas, necessitates the addition of an operations manager for FY 2022.

¹ For key measures that relate to resources included in the Proposed Budget, FY 2022 and FY 2023 data reflect the estimated impact of these resources.



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Department Programs

Department Financial and FTE Summary by Program¹

	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted	FY 2022 Proposed	FY 2023 Projected
Expenditures					
Administration of the Revenue	\$5,813,598	\$6,419,018	\$7,362,102	\$7,585,376	\$7,775,521
Project Fairness ²	0	0	0	0	0
Total – Expenditures	\$5,813,598	\$6,419,018	\$7,362,102	\$7,585,376	\$7,775,521
Revenues					
Administration of the Revenue	\$29,090,235	\$27,358,700	\$21,327,474	\$11,593,474	\$11,593,474
Project Fairness ³	5,903	1,879	0	0	0
Total – Revenues	\$29,096,138	\$27,360,579	\$21,327,474	\$11,593,474	\$11,593,474
Local Tax Funding					
Administration of the Revenue	\$(23,276,637)	\$(20,939,682)	\$(13,965,372)	\$(4,008,098)	\$(3,817,953)
Project Fairness ³	(5,903)	(1,879)	0	0	0
Total – Local Tax Funding	\$(23,282,540)	\$(20,941,561)	\$(13,965,372)	\$(4,008,098)	\$(3,817,953)
FTE					
Administration of the Revenue	51.00	53.00	55.00	56.00	56.00
Project Fairness ³	0.00	0.00	0.00	0.00	0.00
Total – FTE	51.00	53.00	55.00	56.00	56.00

¹ Sums may not equal due to rounding.

² Project Fairness ended June 30, 2018, with the Board of Supervisors' elimination of the requirement for a vehicle decal.