

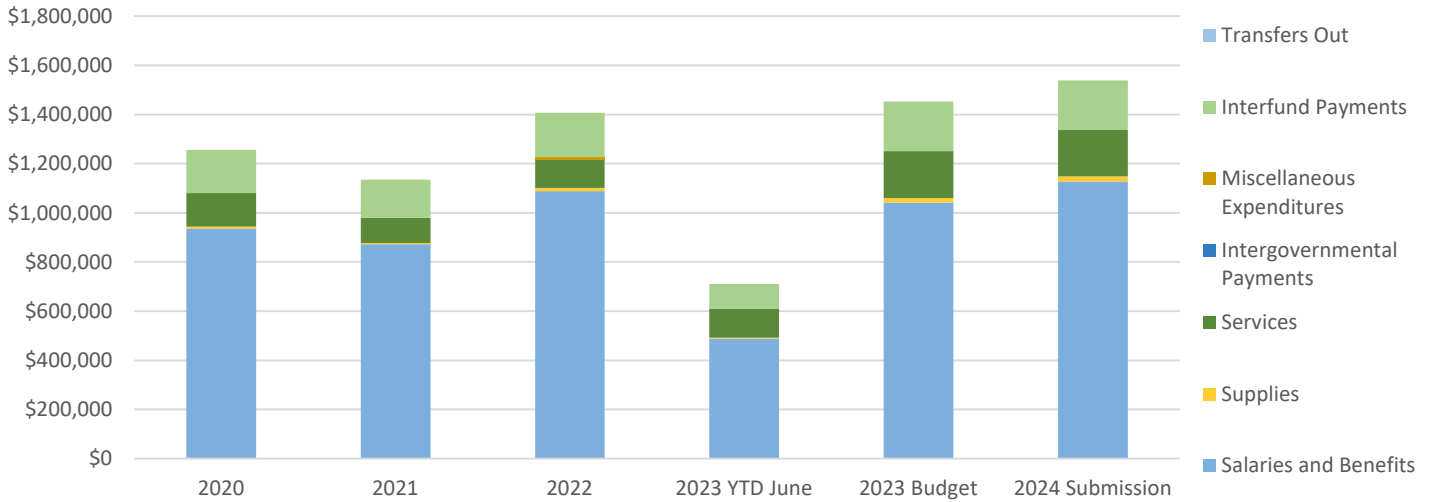
Treasurer

Elected Official: *Pete Boissonneau*

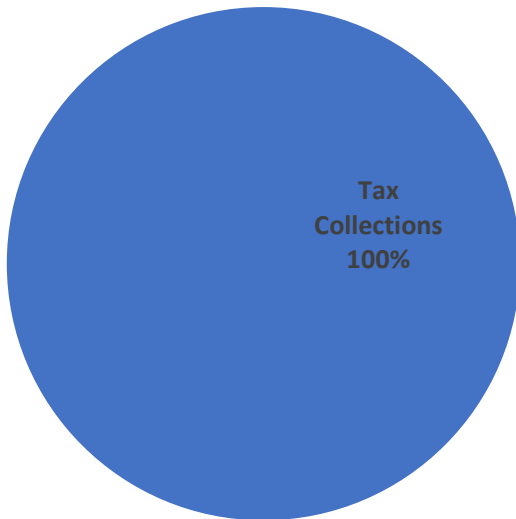
Mission: The Treasurer’s Office will efficiently and effectively collect and distribute taxes, monitor and service debt of the County and forty junior taxing districts, and safely invest excess cash.

Total Revenue	\$10.57 M
Total Expense	\$1.54 M
Total Budget Change	\$0.09 M
Total FTE	10.70

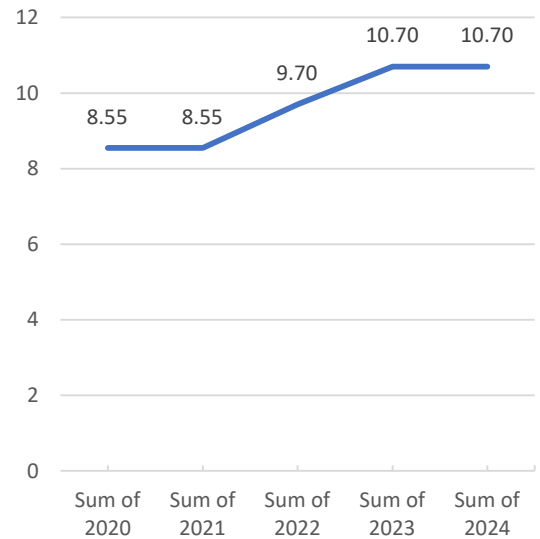
Summary of Expenses



Programs



Total FTE



	2020	2021	2022	2023 YTD June	2023 Budget	2024 Submission	Change
Salaries and Benefits	\$936,374	\$871,553	\$1,087,738	\$488,140	\$1,041,068	\$1,127,618	\$86,550
Discretionary Spend	\$143,586	\$108,415	\$138,781	\$121,160	\$209,413	\$209,413	\$0
Other	\$175,666	\$154,621	\$180,332	\$100,883	\$201,766	\$201,557	-\$209

Treasurer - Budget Request

		2023	2024	
Summary	Type	Budget	Change	Submission Description
Salaries and Benefits	Salaries and Benefits	\$1,041,068		
			-\$9,172	Status Quo Salary & Benefits
			\$83,794	Mid-Year Position - Fiscal Specialist
			\$11,928	Mid-Year Position Reclassifications
			\$1,127,618	
Discretionary Spend	Supplies	\$18,800		
			\$1,400	Computer Software
			\$20,200	
Discretionary Spend	Services	\$190,613		
			-\$1,400	Reduced Banking Fees
			\$189,213	
Discretionary Spend	Intergovernmental Payments	\$0		
			\$0	
Discretionary Spend	Miscellaneous Expenditures	\$0		
			\$0	
Other	Interfund Payments	\$201,766		
			-\$508	IS Rates
			\$299	Insurance Services
			\$201,557	
Other	Transfers Out	\$0		
			\$0	
Grand Total		\$1,452,247	\$86,341	\$1,538,588

Treasurer

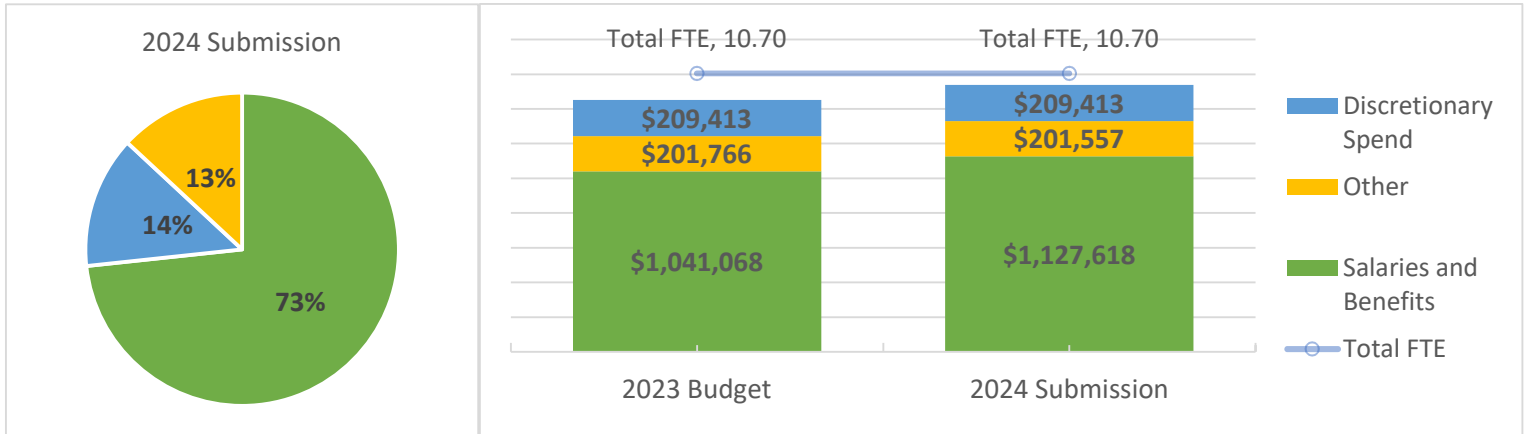
Fund Type: General Fund

\$1.54 M

Tax Collections

Budget Change:

\$86,341



Purpose

The Treasurer acts as the bank for the County. General duties include: (1) collect and distribute all taxes and levies assessed on real and personal property; (2) reconcile bank accounts for the County and junior taxing districts; (3) maintain records of receipts and disbursements by fund; (4) account for, and pay, all bonded indebtedness for the County and all special districts; (5) invest all County and special district funds in custody which are not needed for immediate expenditures; (6) charge and collect interest and penalties on delinquent taxes; and (7) foreclose or distraint to collect delinquent taxes.

Strategy

The collection of taxes is required by RCW and funds County and junior taxing district programs and operations. We will: (1) maximize the value of investing in the Kitsap County Investment Pool; (2) minimize the number of days required to process the mass tax collection for April and October; (3) increase the number of taxpayers who receive statements by email; (4) broaden the options available to taxpayers for paying taxes; (5) implement Payee Positive Pay where possible; and (6) maintain standing in top third of peer groups in terms of parcels and citizens served per employee.

Results

Efficiencies and innovations include: (1) Development of delinquent payment plans resulted in fewer properties being subject to foreclosure. (2) Continue tax payment processing previously performed by utilizing a bank's Lock Box with a projected annual cost of \$47,946, plus payments typically processed the same day they're received. (3) Effective May 2023 reduced investment pooling fees to departments and districts by 37.5%. (4) Effective 2023 adding a no fee option when paying property taxes by electronic check in addition to paying in person.

	2020	2021	2022	2023 YTD June	2023 Budget	2024 Submission
Revenue	\$ 4,487,367	\$ 4,099,767	\$ 6,077,282	\$ 7,066,378	\$ 3,756,750	\$ 10,565,650
Expense	\$ 1,255,626	\$ 1,134,589	\$ 1,406,851	\$ 710,183	\$ 1,452,247	\$ 1,538,588
Total FTE	8.55	8.55	9.70		10.70	10.70

Performance Measures	2020	2021	2022	2023 Budget	2024 Estimate
<i>Quality Indicators</i>					
1. Electronic Payments Processed	21,560	24,655	28,901	30,000	30,000
2. Mail Receipt Payments Processed	52,050	54,544	51,791	50,000	52,000
3. Percentage of Delinquent Taxes at year end	1.15%	0.31%	0.95%	1.80%	1.00%
<i>Workload Indicators</i>					
1. Accounts Billed	120,114	120,718	121,441	122,598	123,000
2. Number of Phone Calls Answered	13,251	11,777	9,574	9,270	9,250
3. Real Estate Excise Tax Transactions	10,054	11,632	9,500	9,500	7,350

How does the organization measure its performance toward the County's strategic goals?

Some of the measures we use include our tax delinquency percentage at year end, the Kitsap County Investment Pool's performance vs. our benchmark, the amount of REET transactions and REET revenue generated, and the number of parcels that go to foreclosure auction.

How has the organization's staffing changed in the last five years and why? Please discuss vacancy, turnover and overtime if applicable.

For the last 5 years we have been predominantly fully staffed with some limited turnover due to retirement and promotions. We only utilize overtime during the heart of tax season to ensure our payments received are promptly posted and the revenue is distributed timely to the county and special purpose districts.

How does the organization monitor remote employee productivity and ensure accountability?

We do not have any regular remote workers but do offer employees the ability to work remotely as needed. We monitor employee deliverables to ensure high quality work is received by deadlines.

What changes would the organization need to make if it were necessary to implement budget reductions of 10% in 2025?

This would be highly dependent on our office's situation at the time of the request. As with previous budget reduction requests we will work with our budget analyst to determine the best solution based on current circumstances. According to the data, we are one of the leanest Treasurer's offices in the state in terms of parcels served per employee.

Please discuss any non-essential functions that the organization provides beyond mandated services?

Non-essential services that we currently offer include payment plan and delinquent payment plan administration, collecting SSWM for the city of Bainbridge Island, and setting up and collecting on Local Improvement Districts for both county departments and our special purpose districts. All of these services are revenue generating.

Are there any initiatives in place to enhance employee engagement and satisfaction, and/or retention strategies to reduce turnover and associated hiring costs?

Some initiatives and strategies include bringing in a communication consultant in January to help our staff better communicate with each other and tax payers, encouraging training opportunities for employees whenever possible, offering the ability to work remotely when necessary, improving communication and office understanding with monthly team meetings where staff get to discuss their position and all the aspects of their job as well as current needs with co-workers, and supporting our employees in bringing process improvement ideas to management to better foster a culture of constant improvement.

What emerging challenges do you expect the organization to face in the next three years?

The biggest imminent challenge I foresee is the potential retirement of up to 25% of our staff (4 employees) over the next 3-5 years which will necessitate planning for potential overlap to allow us the time to transfer knowledge of our highly technical positions. Additionally, depending on the economy there is potential for an increase in delinquencies and foreclosures combined with a drop in interest rate earnings on our investment pool as the FED reacts to a potential recession.

Kitsap County Treasurer



2023 Treasurer Budget Presentation



Our Mission

Efficiently and effectively collect and distribute taxes, monitor and service debt of the county and junior taxing districts, and safely invest excess cash.



What Does The Treasurer's Office Do?

- Bank of the County and Taxing Districts
 - Bank Accounts
 - Investment
 - Debt Management
- Bill and Collect Property Taxes and Local Utility Assessments
- Reporting for Taxing Districts (currently 40)
- Process Real Estate Excise Taxes and Issue Mobile Home Move Permits
- Foreclosure and Distraint Avoidance and Sales



Accomplishments

- No longer charging customers to pay by e-check
 - 33% increase in 1st 1/2 of 2023
- 3.69% increase in ACH Payment plans
- Implemented Insured Cash Sweep program with KeyBank
 - \$344,961.22 additional unbudgeted revenue YTD through 8/31/23
- Updated investment policy approved by finance committee and certified by WPTA and GIOA
- 4 trained Green Belts (3 certified and 1 pending)



Projects

- Recent/Current Projects
 - Investment CT PEAK project
 - Banking RFP
 - Receiving Bids 9/15
 - LIS Version 2
 - In collaboration with Assessor and IS
- Future Projects
 - Paperless Records Management
 - Cash Balancing



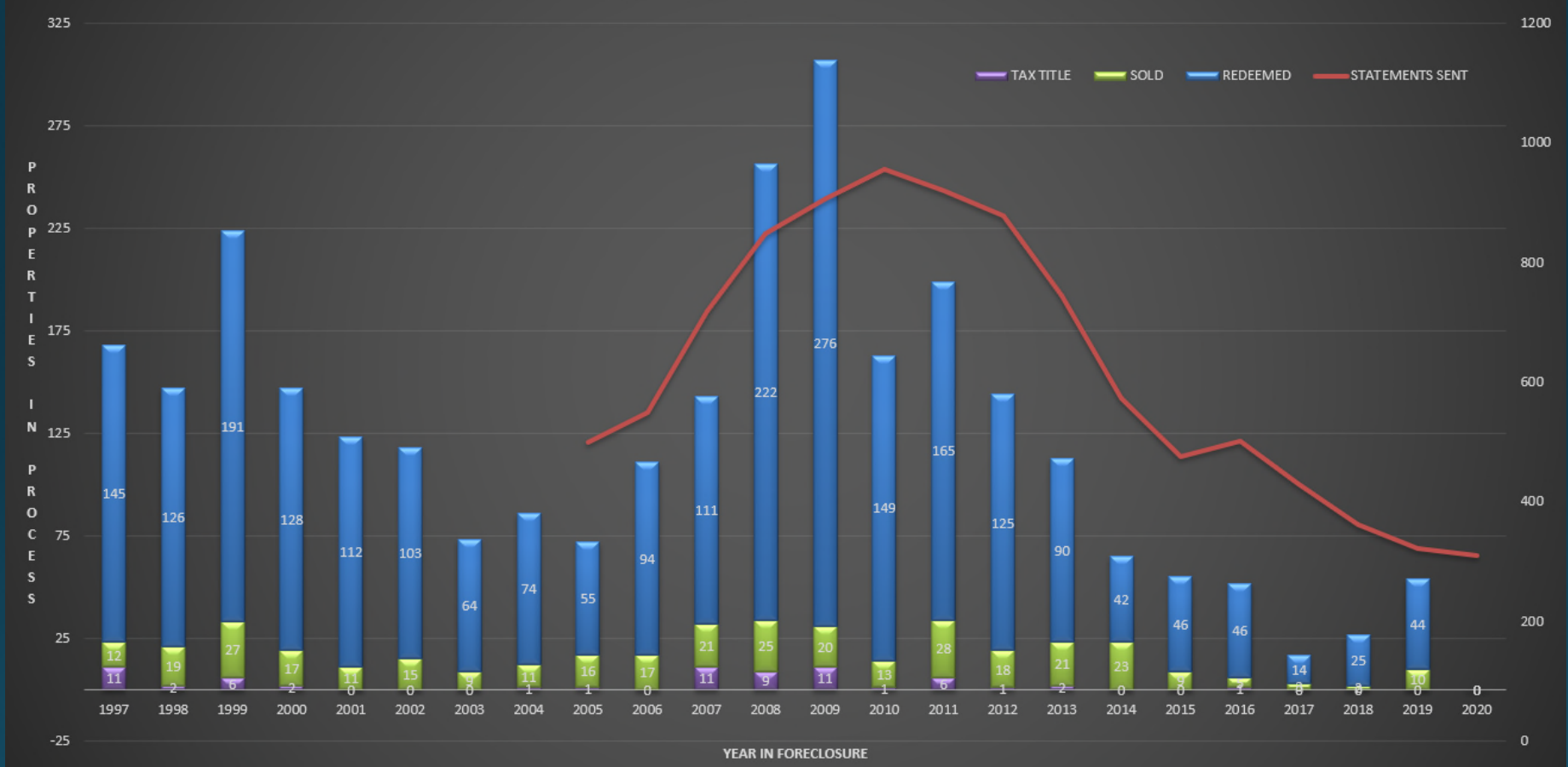
Treasurer's Performance Measures

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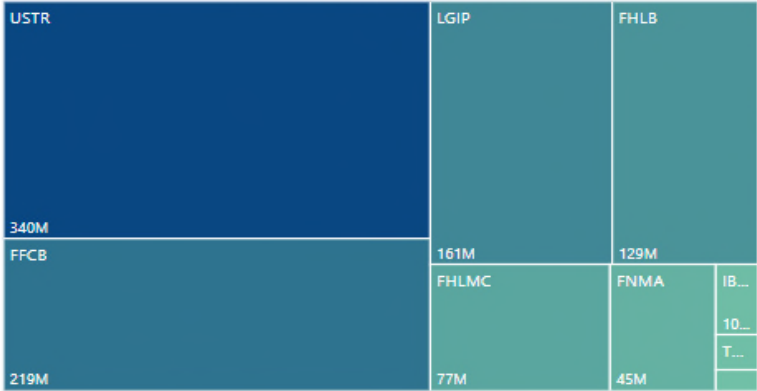
Kitsap County Property Tax Foreclosures Since 1997



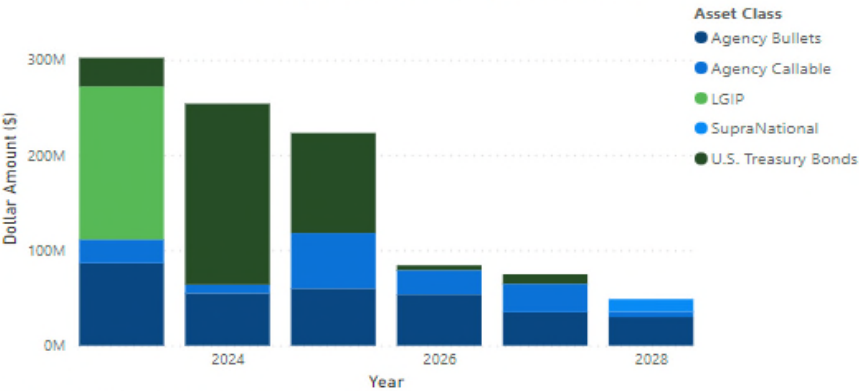


Investment Portfolio

Q2 - Investments by Issuer

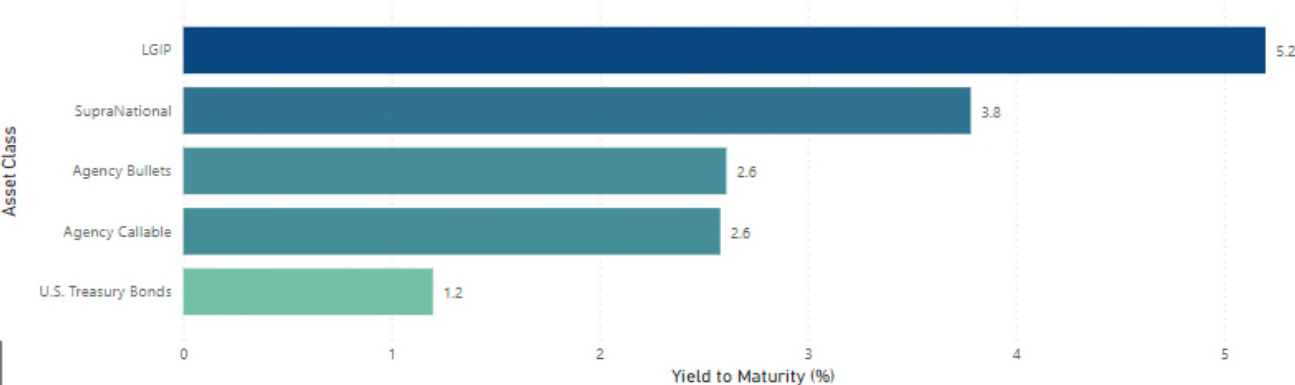


Q2 - Maturity Ladder by Asset Class



Quarter
2
988M

Q2 - Yield to Maturity by Asset Class





Future Concerns

- Potential retirement of 25% of our staff over the next 3-5 years
- Potential recession could lead to:
 - Fed lowering interest rates which would affect the KCIP investment revenue
 - Increased delinquencies and foreclosures

Kitsap County Treasurer



Questions?