

Treasurer-Tax Collector

Dan Mierzwa – Treasurer-Tax Collector

Treasurer	FY 22/23 Adopted Budget	FY 23/24 CAO Recommended	Change
101-0500			
EXPENDITURES			
Salaries and Benefits	\$937,210	\$887,941	(\$49,269)
Services and Supplies	\$245,335	\$230,664	(\$14,671)
Other Charges	(\$212,095)	(\$212,095)	\$0
Fixed Assets			\$0
TOTAL EXPENDITURES	\$970,450	\$906,510	(\$63,940)
REVENUE			
Fed/State			\$0
Grant			\$0
Realignment			\$0
Fees/Misc	\$380,000	\$376,000	(\$4,000)
TOTAL REVENUE	\$380,000	\$376,000	(\$4,000)
FUND BALANCE			\$0
NET COUNTY COST	\$590,450	\$530,510	(\$59,940)

Program Description

The Treasurer & Tax Collector is an elected position to serve the constituents directly. The mandate of the Treasurer is to safeguard, review, and invest the County, School Districts, and Special Districts funds. The Tax Collector serves to collect property taxes and revenues, such as licenses and permits, as prescribed by state laws and County ordinances. Work activities are established primarily by Government Code, Revenue and Taxation Code, Streets & Highways Code, Education Code, and the State Constitution. County Ordinance establishes parameters directing work activities of both divisions of this office, the Treasury and the Tax Collections departments.

The Treasury division serves as the depository for approximately 40 unique participants ranging from the County government, all the School Districts residing within the County’s geographical boundaries and many of the various local Special Districts. The Treasurer is responsible for management of these funds, from banking contracts to the investing of these agencies’ funds in a pooled investment program. Investments are made with regard for the safety of the public’s funds, first and foremost, and as such are invested in accordance with the Government Code for public fund investing in the State of California, as well as the Treasurer’s Statement of Investment Policy.

The Treasury processed over \$854 million in separate deposit transactions for safekeeping and reinvesting in the most recent fiscal year. This division processes all money that moves in and out of the County and all of its associated local government entities that are required by law to pool with the County or voluntarily place their funds within the Treasury. The Treasury reconciles over 10,000 checks

Treasurer-Tax Collector

Dan Mierzwa – Treasurer-Tax Collector

and warrants each month. This is in addition to the electronic fund transfers and cash processing for all of the pool participants. The Treasurer plays a critical role in County financings, in addition to the regular duties of being the County's bank and investment officer. The Treasurer is a member of the County Employees Deferred Compensation Program, Debt Oversight Committee, Finance & Administration Committee, Fiscal Review Committee, Budget Ad-Hoc Committee, and Technology Review Committee.

The Tax Collector processes property tax billings and collections for jurisdictions within Yuba County. Taxes include secured real estate, supplemental, and unsecured taxes (personal property taxes not secured by real estate), as well as prior year secured supplemental and unsecured taxes. The annual tax charge on the current secured property tax roll is in excess of \$104 million, unsecured \$3 million, and net supplemental taxes of \$7 million. The Tax Collector also administers payment plans, as authorized under Revenue & Taxation Code. In addition, the office conducts public auction tax-defaulted property sales. The office discovers and collects for business licenses, bingo licenses, dance permits, firearm dealers, Transient Occupancy Tax, Tourism Board Improvement District fees, tipping fees, and Resource Depletion.

The Treasurer & Tax Collector's department represents approximately two percent of the County's General Fund expenditures. The Treasurer & Tax Collector's department is a revenue generating department, either directly attributed to this office or produced on behalf of the County and its constituents. The main sources of revenues, the collection of taxes and earnings on the investments, have continued to perform very well, versus the markets in which they operate. Despite the limited amount of resources, the Treasurer & Tax Collector's department has continued to maintain its primary purpose by providing uninterrupted service to the public and internal customers. All legally required notices have gone out and every reasonable notification in addition has been utilized to help maximize the effectiveness of the resources appropriated to this office to serve the constituents.

Constitutionally-mandated services have become the priority, followed by all other activities that are ranked according to the ability of the County, its constituents, and the public to receive services and minimize the financial impact to operate these offices.

This department plays a key role bridging the County and many of the other public entities in our geographic area. This office holds all depositors interest equally. We cannot hold the interest of one party or entity above the others. As such, the interest of the collective will be protected and maintained at all times. This is true in both aspects of the office with tax collections and treasury functions.

Accomplishments

FY 2022-2023

The Treasurer & Tax Collector's department stayed open and accessible to the public and internal customers throughout the fiscal year. The public service provided our customers the opportunity to conduct their business and reach a person to get answers and assistance. These services were provided in-person throughout the year with the office accepting payments through curbside service, in-person, drop-box, telephonic, on-line, and via electronic fund transfers. By remaining open and accessible we were able to assist our community with their needs throughout the year. This allowed for countless refinances, saving our property owners hundreds of thousands of dollars as they took advantage of the reduction in mortgage rates early in the year before interest rates rose dramatically. Remaining open also helped facilitate transfer of ownership transactions and the remittance of property taxes to assist

Treasurer-Tax Collector

Dan Mierzwa – Treasurer-Tax Collector

our property owners as they dealt with their lives and navigated varying and unique financial circumstances brought on by the pandemic.

One of the major accomplishments highlighted by these interactions was the ability to administer payment plans and provide taxpayers with the options available to them, as they confronted uncertainty and difficult financial decisions. A primary example of this assistance was accomplished when the Tax Collector's office opened another seventy payment plans for tax payers with defaulted taxes, which is in addition to those started from prior years. Another three property owners entered into the Property Tax Postponement plan for Senior Citizens / Blind / Disabled individuals. In addition, the Tax Collector's office helped property owners connect with the State to receive over \$116,000 in tax payments made by the state on behalf of the California Mortgage Relief Program. This program resulted in direct payments to the home owner's accounts.

Performance Measures

FY 2022-2023

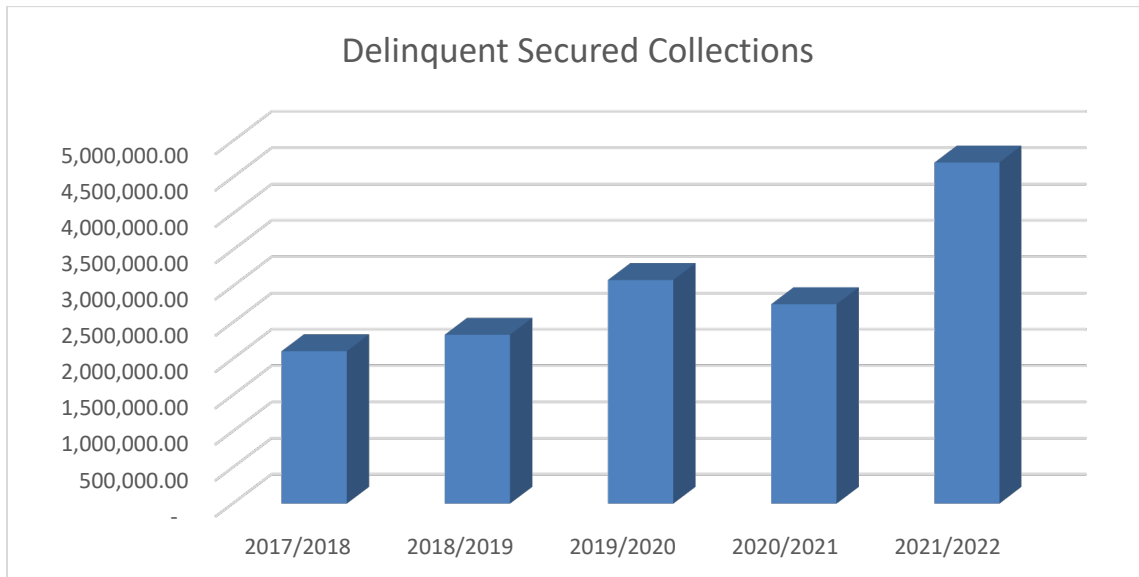
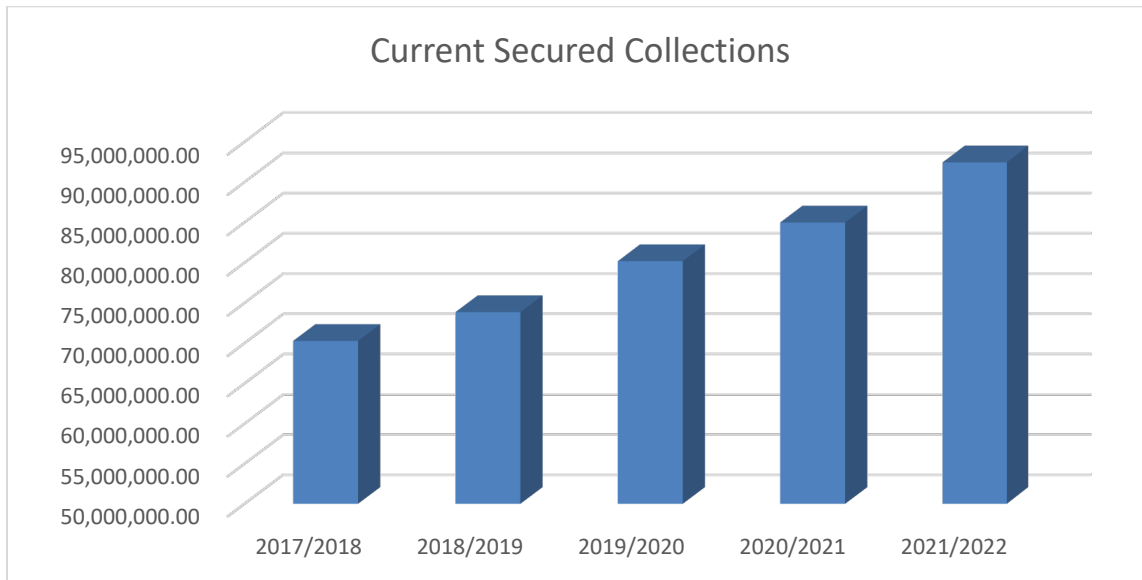
The Treasurer & Tax Collector's office utilizes five key statistics to represent the flow of funds within the department year over year. The Tax Collector uses the Current Secured Property Tax Collections, the Current Unsecured Property Tax Collections, the Defaulted Secured Property Tax Collections, and the Defaulted Unsecured Property Tax Collections. The Treasurer utilizes the Interest Proceeds generated. Both divisions have ebbs and flows as the base level of property taxes levied year over year is not constant. Recessions and market conditions impact real estate just as the fixed income investment realm does. The investment chart of interest proceeds earned is sensitive to the achievable market interest rates as much as the principal funds that our government entities have deposited within the treasury each year.

Collections on secured properties increased on current and defaulted categories significantly as well as defaulted unsecured property taxes. Current unsecured property taxes decreased slightly as the financial conditions have slightly eroded on these items.

The treasury had very interesting results. The yields and interest receipts are up but the underlying market value of those investments naturally erodes with the inverse relationship on price and yield for fixed income products. The end result is that the Treasurer was able to earn over eight million dollars of interest proceeds generated for our local jurisdictions through the investments in the County Treasury Pool. The pool had tried to maintain maximum liquidity as the Federal Reserve had increased interest rates at an unprecedented pace. To help provide safety, liquidity, and some reasonable return on the communities' funds held in the treasury, positions and allocations were examined daily as real rates turned negative on many of the US Treasury positions and short-term instruments. This will have a lasting impact into future years but every investment was made with the return of principal as the leading factor. What this means is that the historical increase in the underlying rates will help off-set the previous rates at or near zero but the apportionment process does take time to feel the impact of the investing at the higher rates.

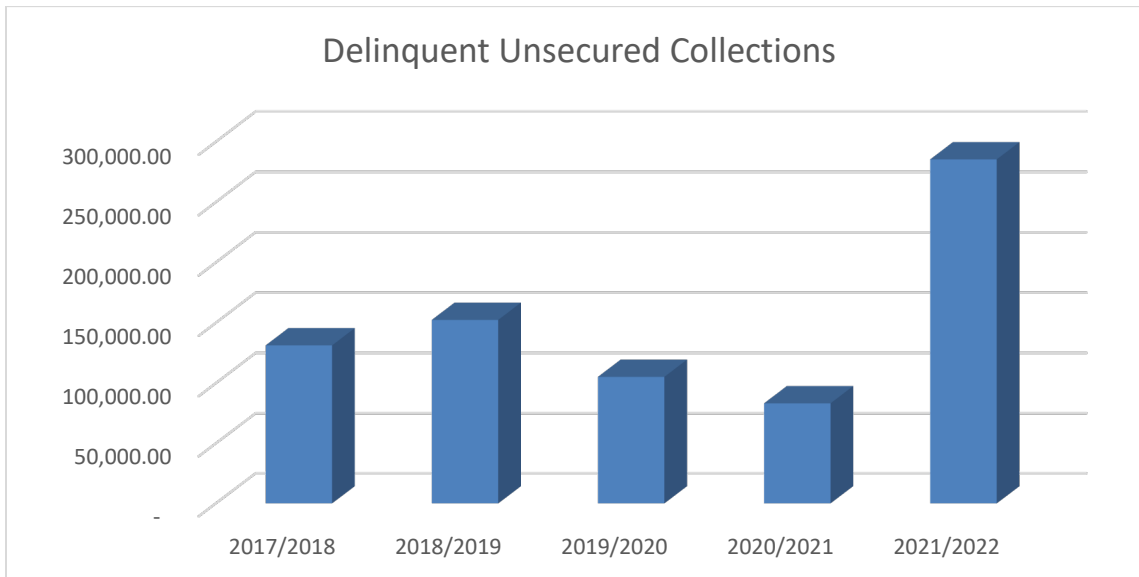
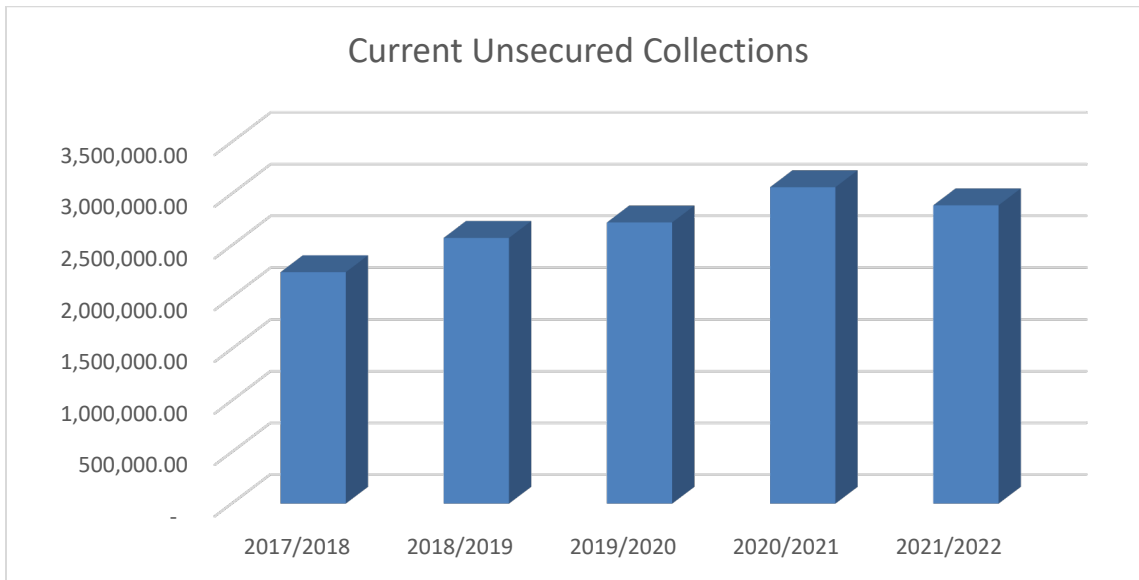
Treasurer-Tax Collector

Dan Mierzwa – Treasurer-Tax Collector



Treasurer-Tax Collector

Dan Mierzwa – Treasurer-Tax Collector



Treasurer-Tax Collector

Dan Mierzwa – Treasurer-Tax Collector

Goals and Objectives

FY 2023-2024

Fiscal year 2023-24 will continue to present challenges to protect the public funds and provide full service to the customers we serve. Both of these will continue to be the number one priority for their respective departments.

With the scheduling of a defaulted property tax auction set to take place, we anticipate continued performance on the collection levels of current secured property taxes, as well as defaulted secured property taxes. This auction will need to be handled with all due care, as the financial conditions for many are still very difficult as inflation continues to erode household and governmental expenditure ability.

Along those lines, the existence of several relationships and programs with our local government partners allowed for the financial transactions of all entities to continue to flow even as many entities and County departments worked remotely. The expansion of such programs to even more districts is something this office will be interested in assisting in to help keep our local government running. This goal is projected to be even more critical with all signs pointing to an impending recession that will hurt the cash disbursements to the County and our constituents.