2023 Budget Supplemental Questions

Treasurer's Office

Strategic Goals

1. Provide your 2023 strategic goals; how are they different from 2022? In what way, if at all, are your strategic changes demonstrated in your budget request?

The 2023 Treasurer Department Budget Initiatives have fundamentally remained the same but there has been a variation of emphasis on the individual goals due to the fluctuation of needed emphasis on each goal. The budget requests for 2023 maintain our ability to be versatile and adaptable to the changing environment.

    a. Maintain flexibility during the post pandemic
        i. Maintaining flexibility during this post pandemic period continues to have challenges but it has taken less resources and effort to mitigate currently.
    b. Transition to a new property tax software system "Aumentum"
        i. Time resources and effort continue to increase as we ramp up the conversion and implementation of our new property tax software. Within our 2023 budget requests is a fulltime project position to mitigate the increase in staffing hours.
    c. Address increased/fluctuation in volume of real estate excise tax processing
        i. The Treasurer's department experienced a large increase in real estate excise transfers over the last four years. Although we have seen a decrease in the second-half of 2022, volumes continue at a strong rate
    d. Improve service for issuance of passports
        i. The Treasurer's department began this service in 2022 and is continuing to improve this process. This program offers opportunity to fluctuate the cross-trained staff to maximize their use of full-time employee hours.
    e. Increase billing services to special purpose districts.
        i. Continuation of our 2022 goals

National, state and local landscape:

1. What are the federal, state and local issues facing your work? What risks or opportunities does that create for you in 2023 and beyond? What is your plan to leverage the opportunity or mitigate the risk? What support do you need?
    a. Beginning January 1st, 2023, Washington State Administrative Code has changed the way interest and penalty is calculated for real property parcels. This will reduce the revenue and reduce the incentive for some property owners to pay their real property taxes on time. In addition, our current parcel management software is having some difficulty in making the adjustments to reflect this change. The conversion and transition to

the Aumentum software for our parcel management should reduce the adaptation of future changes to the interest and penalty laws reflected in the RCWS.

b. *The dramatic change and interest rates by the Federal Reserve has created risk to the Snohomish County investment pool. Our current strategy is long term periodically purchasing securities. This strategy will provide more revenue over the long term but in the short time, less than two years, our investment pool will perform below our benchmark comparisons. The Snohomish County Council's continuing support of a longer-term strategy for the Snohomish County investment pool will continue its success.*

c. *The Treasurer's office will be seeking and supporting legislation that helps fund the real property excise tax processing by increasing the fee already in place.*

d. *The Treasurer's office will be seeking and supporting legislation that allows the tribal nations of Snohomish County to participate in our investment pool.*

2. What, if any, new mandates do you have impacting your work? Are they funded or unfunded? What is the plan for accomplishing the work?
   a. *We anticipate more state legislation dealing with the collection penalty and interest for delinquent real property taxes to be included in legislation. none of the previous legislation that deals with property taxes have included an impact fee.*

Programs

1. List programs, projects and services within your department funded through federal COVID/ARPA funds. What, if any, of those programs are you recommending ongoing funding for and what is the source of ongoing funding?
   a. *The Treasurer's Office has developed a temporary tax aid program, funded by fiscal recovery funds, to keep qualified low-income Snohomish County homeowners from losing their home to 2023 foreclosure. This proposal uses fiscal recovery funds in response to the public health emergency and the negative economic impacts for the specified purpose of assisting households for property tax, fees, and penalties incurred prior to March 31, 2021. The proposal adheres to ARPA funding requirements in that we have identified the negative impact experienced by a population or class (low-income homeowners at risk of losing their primary place of residence by foreclosure in 2023) and the proposed program is narrowly designed to benefit the individual or class experiencing the negative impact.*

2. What new programs are you launching for 2023? What need or efficiency is that new program addressing? How is that program funded for sustainability? What metrics are in place to determine effectiveness?
   a. *Continue to promote electronic property tax statements*
   b. *Community investment program operating within the Snohomish County investment policy*
   c. *Promoting departments utilization of remote deposits to offer relief for departments that don't have as many resources to bring deposits to the Treasurer's cashiers daily while balancing efficiencies and fraud controls*
3. If different than #2, what are your areas of significant investment? What are you not doing because of that investment?

Internal Operations

1. What is your department doing to streamline processes or deliver services in a new way? How do your budget allocation requests play into these innovations? Are there ways which a different budget approach, e.g. several departments sharing a resource, could achieve the same or better results in a more cost-effective way?
   a. *See 2(a)*
   b. *The collection division has a visitation program that visits mobile home park sites and managers and provides information for title transfers. This information includes disseminating bi-lingual pamphlets containing information on property taxes and Treasurer's contact information. This program encourages interaction with mobile homeowners when purchasing/selling their property and increases compliance.*
   c. *See 2(c)*
2. What, if any, hiring challenges are you experiencing? How is that affecting your level of service or internal operations? How are you mitigating those operational challenges and/or what is your plan for recruitment?
   a. *The Treasurer's department has a difficult time recruiting applicants for several of its positions. The major reason for this challenge is the low salary levels for the positions. To solve this problem, the Treasurer's office put together a proposal to change the job descriptions increasing the responsibility of many of the positions in the department and reclassifying the positions. Our initial proposal was put on hold pending the results of the salary study.*
3. Please provide a list of all vacant position titles, position codes, date vacated, and date first posted. This should be a separate page or spreadsheet attachment.
   a. *See "TRS Vacant Position Analysis" attached*

4. What effect has the increase of inflation and/or supply chain issues had on your department? What, if any, services, or projects have you had to adjust to accommodate for this? (i.e. moving to outside contracted services, delaying of project starts and/or purchasing, redistribution of workload, etc.)
    a. *Costs of billing statements paper and envelopes has increased 25% in the last year. The Treasurer is processing more payments in-house as opposed to a third-party vendor to utilize in-house talent and reduce vendor fees.*
    b. *The large increase in of electronic REET transactions over the last 4 years have required additional attention/work hours. The Treasurer trained and assigned more staff to support this area and continues to cross-train in various areas.*

Successes

1. Take this opportunity to share one significant success in your department over this past year. What made it a success?
    a. *One of our biggest successes in the Treasury Department is the implementation of a passport issuance program. We have successively processed 600 passports in seven months. The key to our success was the preparation of management staff, the willingness of our payment processors to take on a new skill and responsibility, and the teamwork of all our interdepartmental divisions. This program allows more interaction with the public, provide an additional service, and maximize our capacity by the work based on other responsibilities within the department.*