

Office of the Benton County Treasurer

A Report To Our Citizens

For Fiscal Year 2009

Duane A Davidson, CPA, Benton County Treasurer



About the Treasurer's Office

What do we do?

The County Treasurer acts as the "bank" for the county, school districts, fire districts, water districts, and other units of local government. The Treasurer's office receipts, disburses, invests and accounts for the funds of these entities. The Treasurer is also charged with the collection of various taxes that benefit a wide range of governmental entities. Tax adjustments authorized by the Assessor's office or courts are also performed and refunds issued to the appropriate taxpayers. The Treasurer's office collects and distributes the real estate excise tax associated with the sale of real estate. Excess monies not currently being used by the county or various local governments are "pooled" for investment with the emphasis of ensuring public monies as; safe and secure, available when needed, and achieve the best rate of return after meeting the first two objectives.

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Mission Statement

Provide the most reliable, efficient & cost effective service to the citizens and local governments of Benton County, Washington

Core Values:

- Integrity
- Accuracy
- Reliability
- Accountability

How are we set up?

The Treasurer is a constitutional officer elected by the people for a four year term. This position is elected to provide independence from the legislative branch of the county (Board of County Commissioners) and independence from all the other various local governments that have the ability to levy taxes and assessments. This provides separation from the branch of government responsible for levying taxes to the branch charged with collecting tax revenues.

How do we operate?

The office is organized into three distinct departments including the Tax Collection, Tax Adjustment, and Accounting Department that serve to properly segregate duties for effective internal controls. The Tax Collection Department is responsible for the collection of taxes and the processing of real estate excise tax on the sale of land. The Tax Adjustment Department is responsible for adjustments to taxes, processing refunds, and review of the subsidiary accounts. The Accounting Department is responsible for the banking, daily account reconciliation, general receipts, investments and redemption of warrants (checks).

Full Time Employees	15
Real Estate Parcels	75,098
Operating Budget (2009)	\$1,184,274
Investments (12/31/2009)	\$245,630,478
Two Office Locations	
• Prosser (County Seat)	
• Kennewick (Satellite Office)	

Accomplishments



Erhiza Rivera, Chief Deputy Treasurer is pictured here accepting the Debt Policy Certification from the Association of Public Treasurers of the United States and Canada

Develop a Detailed, Comprehensive Debt Policy

Notification was received on June 24, 2009 from the Association of Public Treasurers of the United States and Canada, that the Benton County Debt Policy had achieved the Association’s Debt Policy Certification. This certification recognizes that the county “has policies in place that are consistent with sound debt issuance and management practices.” Development of the Debt Policy is one of the key functions of the County’s Finance Committee. Members of the Benton County Finance Committee for 2009 were Duane Davidson, Treasurer; Max Benitz Jr., Commissioner; and Bobbie Gagner, Auditor.

Redesign Office to Provide Enhanced Security and Productivity

The Treasurer’s office recently moved into the remodeled former office of the Assessor. This new location has allowed us to expand service levels and enhanced security for greater productivity and safety. The Treasurer’s office also has a new look on the web. Our new web site was launched last year that provides greater accessibility to tax information. From our website, taxpayers can now obtain detailed tax information about their property, make payments on their property, and obtain information regarding previous payments for income tax purposes.



This new location has allowed us to expand service levels and increase security for a more productive and safer office.

Internal Control Enhancements

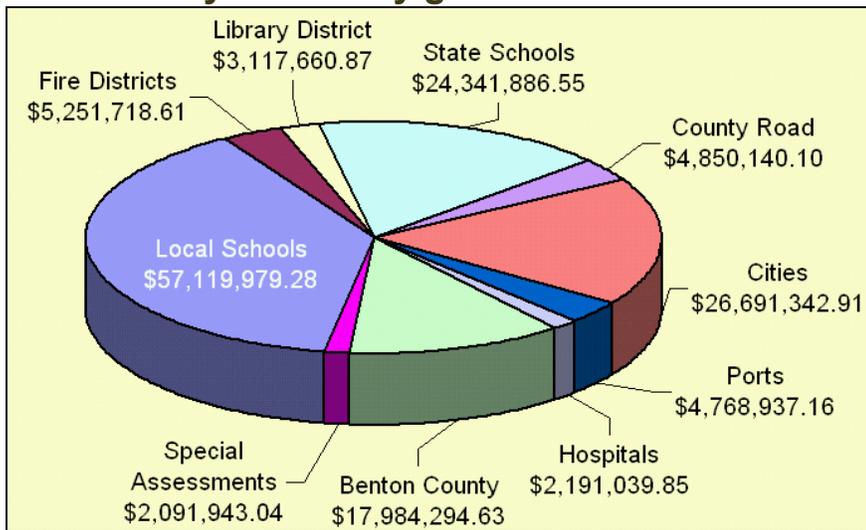
In an effort to continually strengthen internal controls over the public’s finances, the County Treasurer’s office launched a complete review of our cash handling policy. The revised, comprehensive policy and procedure manual has now been issued and the Treasurer’s office is seeking accreditation for this policy. All cashiers of the Treasurer’s office were required to obtain professional “Cash Handling Certification” in 2009. More importantly, an internal training program was developed to train future employees and keep current cashiers abreast to emerging issues. The Washington State Municipal Treasurers Association at their recent Annual Conference used this training program offered by our office for training cashiers from cities and counties throughout the state.



Check out our new updated website!
www.co.benton.wa.us

Your Money

Where did your money go?



Property Taxes — In and Out

The County Treasurer collects property taxes from the taxpayers and then distributes the monies to all the various taxing authorities. We print and mail statements based on the data we receive from the County Assessor and other taxing jurisdictions. This pie chart illustrates the amount of tax monies for collection in 2009. The Treasurer also collects “general receipts” of State shared revenues, fees, grants and irrigation assessments not accounted for in the pie chart. The level of activity associated with the collection of these revenues is illustrated in the chart on this page, titled “Our Production”.

Our Production

	2009	2008
Tax Statements Sent	74,871	72,744
Property Tax Payments from Mortgage Accounts	52,427	50,805
Property Tax Payments through Automated Process	38,321	41,856
In Office Tax Payments	26,573	26,944
Irrigation	9,395	9,949
Taxes Collect from Property Transfers	6,512	6,599
General Receipts	5,916	6,334
Property Tax Payments by Web/ACH	4,965	5,014
Investments Processed	2,487	3,418
Overpayments and Refunds Processed	996	991
	222,463	224,654

Total Investments on 12/31/09 were \$245,630,478. We collect the irrigation assessments for Benton, Columbia and Kiona Irrigation Districts, and the Benton County portion of the Grandview Irrigation District. We received 9,395 payment transactions from those district’s ratepayers totaling \$3,189,202. The County Treasurer’s office continues to experience an increased demand each year for our services. Fortunately, we have gained efficiencies as mentioned in the “Accomplishments” section of this report (page 2) that has enabled us to meet these challenges with the current level of staffing.

Our Costs

Treasury Department Costs*	2009	2008	2007
Salaries & Benefits	\$813,026	\$793,617	\$747,663
Supplies & Services	98,600	130,470	105,697
Interfund (other County Depts.)	205,733	231,776	221,551
Capital	3,849	0	0
Total	\$1,121,208	\$1,155,863	\$1,074,911

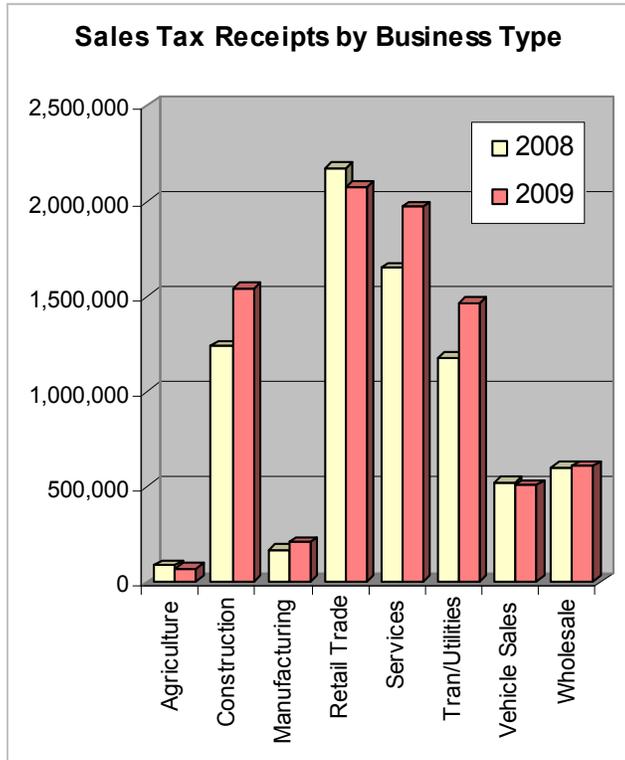
In addition to the budget displayed, the Treasurer also has a revolving fund to help defray the cost associated with foreclosure of delinquent parcels and personal property. This fund does not receive tax revenues and is funded by fees collected on the parcels in foreclosure.

* Current Expense (General Fund)

Independent Audit. The Treasurer’s office does not issue separate financial statements, however, the Treasurer’s office contributes a major portion of the revenues and statements included in the Benton County Comprehensive Annual Financial Report (CAFR). The 2009 audit report on the County’s CAFR has not been issued as of the date of this report. Complete financial information can be found at the county’s website: www.co.benton.wa.us.

What's Next

Economic Outlook—Future Challenges—Contact Information



Property taxes remain the largest source of revenue for our County, but retail sales taxes and investment interest are two other vital sources of revenue. Both of these revenue streams are positively correlated with the local economic climate. Benton County has been substantially insulated from the economic struggles our nation has faced in 2009, but some effects are unavoidable. For example, the unemployment rate has increased in our County, but in a small amount relative to other Counties' in Washington and the country. Sales tax revenues increased nearly 13% in 2009, led by a large increase in the transportation and service industries. The retail trade & service sectors remain the

largest portion of revenues, accounting for almost 47% of total collections. Interest earnings were strong in 2009 by virtue of maturing investments locked in at higher rates before the economic downturn, and our office hopes for a slight increase in interest rates for 2010. The Treasurer's office finds it essential to monitor these fluctuations, and will continue to implement innovative solutions to maintain this office as efficient stewards of the public treasury in accordance with our mission statement.

2010 Goals

In 2010, we have established the following goals in accordance with our mission statement:

- Develop and implement Check 21 processes
- Transition to having a "paperless" office
- Revise & re-issue the County's Investment Policy
- Redesign and remodel our Prosser office to enhance security and office productivity
- Compile a comprehensive procedure manual for the entire office to standardize procedures and develop consistency in our operations in both locations



"A Report To Our Citizens" was a winner of the AGA Citizen-Centric Report for the Fiscal Year Ended 2008

Office of the Benton County Treasurer



This is our second year of publishing a "Report to Our Citizens" in an attempt to give the citizens some basic financial information about local governments in Benton County. All too often, government reports are confusing and so large that the average citizen does not have the time in their busy schedule to read them. We hope this report gives you a good understanding about the tax monies we

collect and distribute to various local governments. Please let me know if you have any suggestions on how we can improve this report. My contact information is to the right of this page.

Best Regards,
Duane A. Davidson,
Benton County Treasurer

Visit the Treasurer's Office Online:

- Review tax information about your parcel
- Make a payment on your parcel
- Obtain past paid amounts for income tax purposes
- And much more...
- www.co.benton.wa.us

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