

ACCOUNTING AND TREASURY MANAGEMENT DIVISION

PROGRAM MISSION: To safeguard, manage, and account for all revenues received by the County ensuring the security of County funds, and the availability of these funds to meet County expenditure requirements.

The Accounting and Treasury Management Division ensures the security of County funds, and the availability of those funds to meet County expenditure requirements. This includes the investment of revenues and bond proceeds not immediately required for operational and capital activities according to budget forecasts for short and long-term cash flow requirements. Funds are invested to obtain the highest yield possible while protecting the principal invested. Timely and accurate accounting for revenues provides financial information critical to the management of the County budget. The Division organization encompasses two main areas, which are segregated for purposes of necessary checks and balances: Accounting and Treasury Management Sections.

The **Accounting Section** prepares and enters data which accurately reflects revenue activity for the general and subsidiary ledgers, and reports activity based upon County bank accounts and bond fund records. This section is responsible for the timely reporting and remittance of funds received on behalf of the Commonwealth (e.g. estimated state income tax payments) and for the reporting to the Commonwealth of abandoned property. Treasurer’s schedules and exhibits presented in the County’s Comprehensive Annual Financial Report (CAFR) are prepared by this section. The Accounting Section ensures the integrity of transactions entered into the general and subsidiary ledgers; monitors established control procedures, and completes bank reconciliations, daily audits of cashier work and administration of the pay-at-the-bank program. This section also performs analysis and development of policies and procedures to ensure that internal control and the security of County funds are maintained. This section provides refunds, when appropriate, to taxpayers in the timeliest manner possible.

The **Treasury Management Section** monitors the receipt of funds, forecasts cash flow requirements, selects banking services and maintains banking relationships. This section also manages the investment portfolio for the County consistent with the state statute and Arlington County’s investment policy, and seeks to match projected cash flow requirements with investment maturities. This section prepares the Treasurer’s reports to the County Finance Board. County accounts payable and county payroll checks are printed and distributed to the various county agencies by this section.

Accounting and Treasury Management				
	FY 2004	FY 2005	FY 2006	% Change:
	<u>Actual</u>	<u>Adopted</u>	<u>Proposed</u>	<u>'05 to '06</u>
Personnel	\$784,698	\$816,360	\$817,545	-
Non-Personnel	17,033	12,798	12,798	-
Total Expenditures	801,731	829,158	830,343	-
Revenues	125,074	106,924	111,369	4%
Net Tax Support	\$676,657	\$722,234	\$718,974	-
Authorized FTEs	10.0	10.0	10.0	
Funded FTEs	10.0	10.0	10.0	

SIGNIFICANT BUDGET HIGHLIGHTS:

- ↑ Revenue increased (\$4,445) due primarily to the FY 2005 cost of living increase approved by the State Compensation Board and the new Department of Motor Vehicle fee revenue received for the operation of the DMV Select satellite office established in November 2004.

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PERFORMANCE MEASURES:

	<u>FY2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2006</u>
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Goal</u>
<i><u>Mission Outcome Measures</u></i>						
Investment performance to ensure earnings over 90 day T-bill rate	100%	100%	100%	100%	100%	100%
Earnings credit rate (ECR) performance, ensure earnings over 90 day T-bill rate	75%	75%	50%	75%	75%	75%
Bank reconciliation within accounting close date	35%	50%	59%	75%	80%	80%
Cash flow forecast actual to forecast	50%	75%	75%	80%	80%	80%
<i><u>Customer Measures</u></i>						
Meet or exceed the DMF monthly closing schedule	58%	83%	72%	80%	85%	85%
Reduce the amount of abandoned property remitted to state	79%	82%	82%	70%	80%	80%
Number of significant audit (outside) exceptions included in the final audit report attributable to the Treasurer's office	1	0	0	0	0	0
Number of audit exceptions in the annual state funds audit report	1	0	0	0	0	0

- ❖ Uncashed payments issued by Arlington County are considered abandoned property at the end of each fiscal year. The Treasurer's office has until November of the next fiscal year to have the payments cashed by the property owner. If the check is not cashed, the money is remitted to the state as abandoned property. The Treasurer's office goal is to reduce the fiscal year-end outstanding balance by 80%.