



## FY2026 BUDGET NARRATIVE

Please fill this out and return by May 12<sup>th</sup>. Please save the document by the name of your division, underscore, and FY2026 as follows: FAIR\_FY2026

### INTRODUCTORY INFO/HIGHLIGHTS/GOALS

1. Please list the name of your department/division and provide a statement of what your department is responsible for, your mission statement, and any highlights from the current and prior fiscal year for your department. Please add what your goals and objectives are for the next fiscal year:

#### ***Treasurer***

- ***Responsibility:*** The county treasurer is responsible for the safekeeping of all public moneys, which includes the acceptance, receipt and reporting of all money received by each county department. It is also the responsibility of the county treasurer to invest idle funds and ensure there are adequate money available to meet the county's financial obligations.

- ***Mission Statement:*** The Canyon County Treasurer's office provides the highest level of service to the citizens of Canyon County and to fulfill the responsibilities mandated by the State of Idaho. The Canyon County Treasurer's Office is dedicated to serving the public and other units of government in the most friendly, efficient and effective manner possible.

- ***Goals and Objectives:*** Continue to utilize technology to optimize efficiency in property tax collection and processing. Streamline payment process to improve efficiency and customer satisfaction. Implement and expand our on-line portal to provide taxpayers opportunity to gather information related property tax payments, tax charge history and expected trends.

### Accomplishments for FY25:

- In FY25, the Canyon County Treasurer's Office achieved significant milestones aimed at enhancing service delivery and operational efficiency. A notable development was the appointment of Jennifer Watters as County Treasurer in September 2024. With 27 years of experience within the office, including roles as deputy treasurer, office manager, and chief deputy, Watters' leadership ensured a seamless transition and continuity in financial stewardship. While maintaining three senior staff members along with a Banking and Finance Manager and replacing the Chief Deputy position.

The office collaborated with the Assessor's office to launch a unified taxpayer portal aka Data Hub, providing residents with access to up to five years of property tax assessments and tax charge history along with keeping up with legislative changes by displaying tax credits provided by the state.

In response to evolving postal service standards, the Treasurer's Office proactively communicated with taxpayers regarding payment deadlines and encouraged early submissions to avoid delinquency. This approach ensured timely collections and maintained the county's financial stability.

Overall, the Canyon County Treasurer's Office demonstrated a commitment to excellence in fiscal management, customer service, and community engagement throughout FY2025.

### Top Priority Strategic Goals and Objectives for FY26:

- Our top priority for 2026 is to modernize internal financial systems and workflows to improve efficiency, accuracy, and service delivery. This includes evaluating software solutions for property tax tracking, enhancing reporting capabilities, and ensuring staff have the tools and training needed to support continued growth and transparency.

2. Please provide any relevant data measures or key performance indicators or any metrics by which you measure production and performance in your department.

- Below is data reflecting property tax payments, including the method of payment and the total dollar amount collected by method. As shown, the total dollars collected from 01/01/2024 to 05/15/2024 increased by 6.05% compared to the same period in the previous fiscal year.

	01/01/2024 to 12/31/2024	01/01/2023 to 12/31/2023	01/01/2022 to 12/31/2022
Cash	\$2,668,584.67	\$2,723,811.90	\$3,064,641.88
Credit Card/In office	\$876,593.70	\$811,108.01	\$783,628.99
Check/In office and Imports	\$86,991,493.71	\$81,955,868.76	\$92,568,328.30
Surplus	\$713,578.90	\$554,890.61	\$330,152.91
<b>GRAND TOTAL</b>	<b>\$91,250,250.98</b>	<b>\$86,045,679.28</b>	<b>\$96,746,752.08</b>

- Credit Card activity has continued to increase year to year. Canyon County utilizes a revenue neutral platform where users pay a 2.39% convenience fee associated with a credit card and 1.00% per debit card transaction. Currently there are two processors that process our credit card payments, Point and Pay and CardPointe.

**\*Graph A is a breakdown of payment types processed in the office**

*Graph A	10/01/2024 to 04/30/2025	Transactions	10/01/2023 to 04/28/2024	Transactions	10/01/2022 to 05/15/2023	Transactions
Counter	\$57,565,071.10	36,305	\$53,954,329.57	36,231	\$51,979,448.45	34,800
High Speed	\$20,012,950.08	12,372	\$19,717,645.30	10,489	\$14,485,012.12	9,841
Lender	\$41,866,273.37	47,039	\$38,291,659.21	44,688	\$47,985,528.26	43,813
Lock Box	\$32,256,471.57	18,896	\$30,625,661.53	17,877	\$34,252,567.12	19,103
Payment Mgt	\$7,636,392.11	7,641	\$3,036,164.63	5,707	\$2,889,573.16	5,432
<b>GRAND TOTAL</b>	<b>\$159,337,158.23</b>	<b>122,253</b>	<b>\$145,625,460.24</b>	<b>114,992</b>	<b>\$151,592,129.11</b>	<b>112,989</b>

**\*Graph B is a breakdown of Tax Collector and All Department Transaction Totals for January 2025 through April 2025 except Courts**

*Graph B TAX COLLECTOR*	01/01/2025 to 04/30/2025	Transactions	ALL AGENCIES	01/01/2025 to 04/30/2025	Transactions
Credit Card	\$82,964.47	131	Credit Card	\$3,397,870.61	30,240
Debit Card	\$21,685.71	32	N/A		
E-Checks	\$248,813.53	116	E-Checks	\$166,715.93	178
Charge Backs	\$0.00	0	Charge Backs	(\$8,438.43)	37
<b>Grand Total</b>	<b>\$353,463.71</b>	<b>279</b>	<b>Grand Total</b>	<b>\$3,556,148.11</b>	<b>30,455</b>

**\*Graph C is a breakdown of the total transactions for the last three calendar years related to Property Tax Payments.**

*Graph C TAX COLLECTOR*	01/01/2024 to 12/31/2024	Transactions	01/01/2023 to 12/31/2023	Transactions	01/01/2022 to 12/31/2022	Transactions
Credit Card	7,465,356.70	8,292	11,158,467.55	7,239	\$3,705,517.92	5,368
E-Checks	\$20,279,840.24	7,025	\$18,829,826.32	5,585	\$9,446,643.96	3,166
Charge Backs	(\$292,858.66)	140	(\$258,084.26)	129	(\$14,259.34)	15
<b>Grand Total</b>	<b>\$27,452,338.28</b>	<b>15,457</b>	<b>\$29,730,209.61</b>	<b>12,953</b>	<b>\$13,137,902.54</b>	<b>8,549</b>

**\*Graph D is a breakdown of the total transactions for the last three calendar years related to all Departments excluding Courts and Tax Collector.**

<b>*Graph D ALL AGENCIES</b>	<b>01/01/2024 to 12/31/2024</b>	<b>Transactions</b>	<b>01/01/2023 to 12/31/2023</b>	<b>Transactions</b>	<b>01/01/2022 to 12/31/2022</b>	<b>Transactions</b>
Credit Card	\$9,833,978.04	94,495	\$9,106,803.10	88,268	\$95,290.00	86,693
E-Checks	\$550,524.92	666	\$386,298.77	407	\$435,121.16	358
Charge Backs	(\$37,076.12)	129	(\$22,511.39)	124	(\$7,070.18)	127
<b>Grand Total</b>	<b>\$10,347,426.84</b>	<b>95,290</b>	<b>\$9,470,590.48</b>	<b>88,799</b>	<b>\$523,340.98</b>	<b>87,178</b>

## REVENUES

*All of the revenues have carried over. Do not change anything dealing with property taxes, sales tax, ARPA, or interest. All other lines may be updated to reflect your requested changes.*

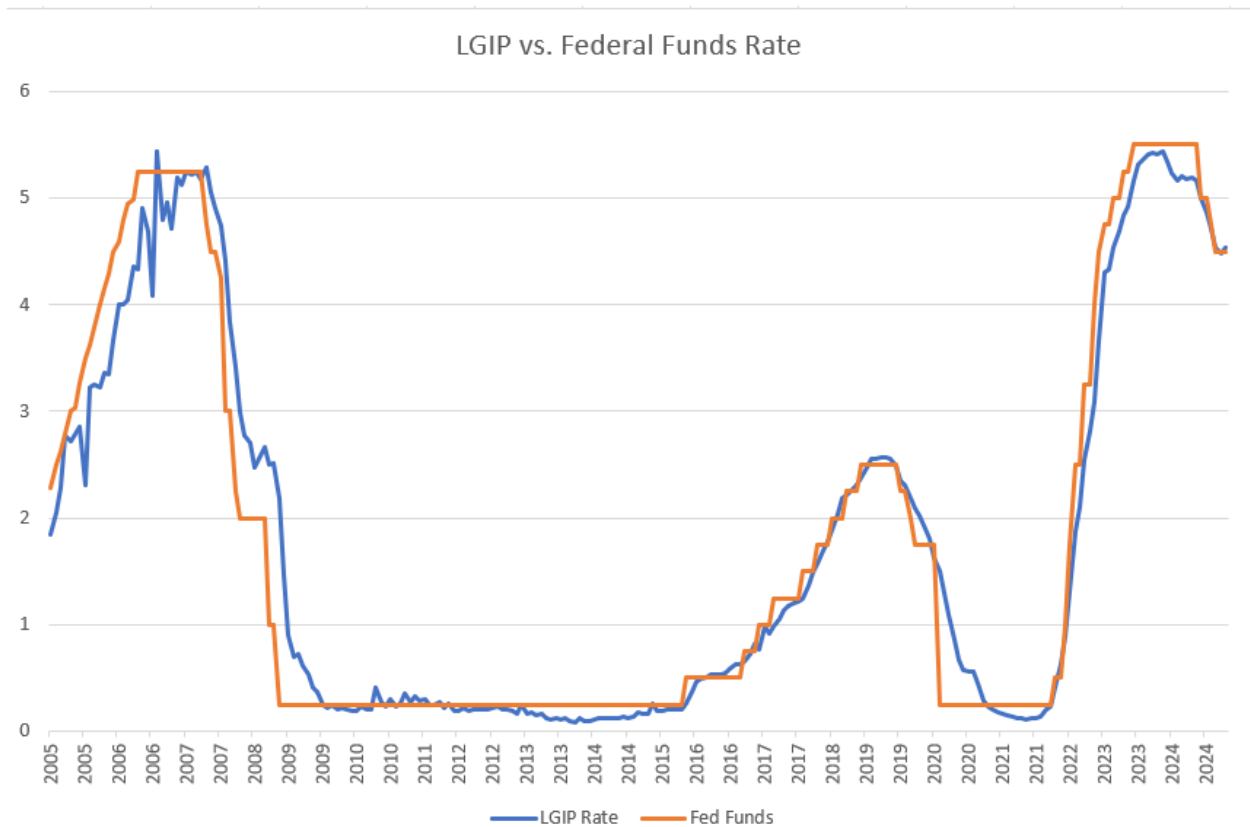
- Please describe department generated revenues and how current events have impacted revenue receipts:
  - The Investment Commentary on the following pages is provided by Independent Investment Counsel and Investment Broker, Chris Bateman, Vice President, Time Value Investments

### **Canyon County: April 25, 2025 Market Commentary**

#### ***Cash Earnings Rates:***

- Many public entities keep their cash in the “Local Government Investment Pool” (LGIP) or a money market fund.
- Earnings rates on the LGIP tend to correlate with the “Federal Funds Rate” (see graph below).
- The “Federal Open Market Committee” (FOMC) releases quarterly projections as to where the Federal Funds Rate will be in the future.
- The most recent projection (March 2025) has the Federal Funds Rate at ~4.00% through the end of 2025. This represents 2 rate cuts from the current level of 4.50%.  
<https://www.federalreserve.gov/monetarypolicy/files/fomcprojtabl20250319.pdf>
- The Federal Funds Rate *Futures Market*, on the other hand, currently has a 50% expectation of 4x rate cuts by the end of 2025.

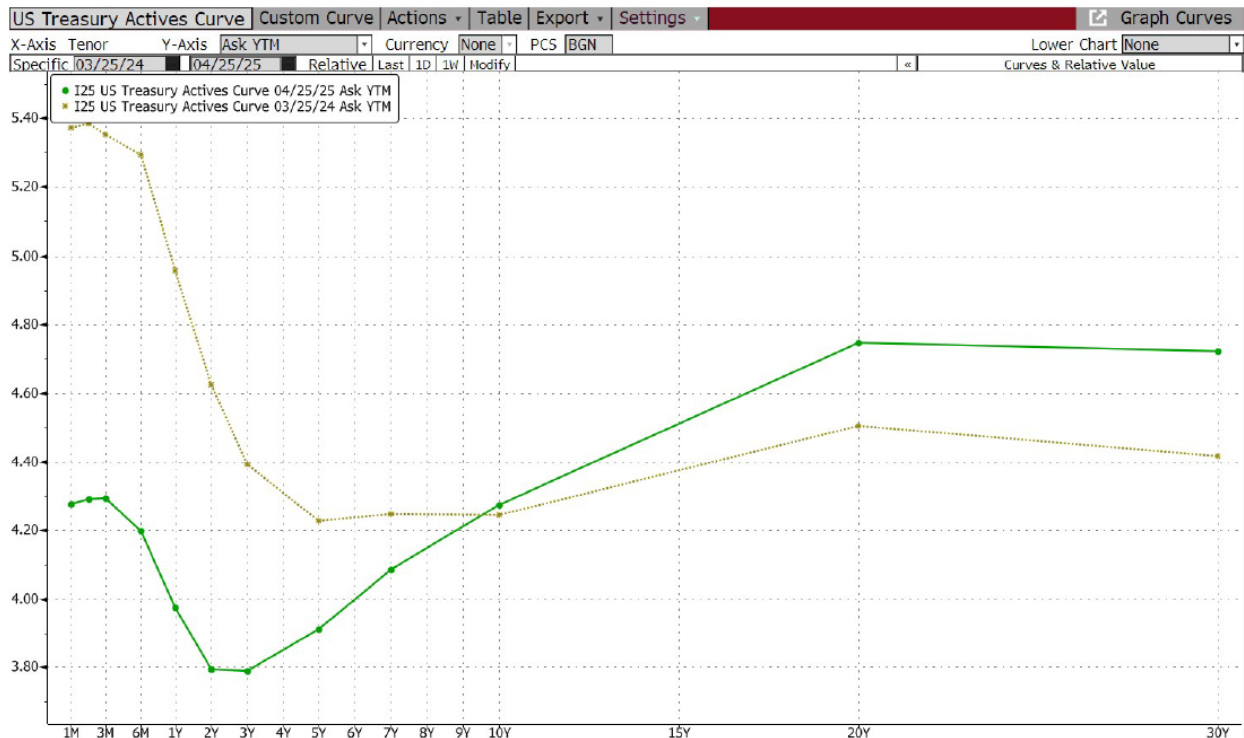
*\*The LGIP rate tends to track the federal funds rate (see graph below, through April 30, 2024):*



- <https://sto.idaho.gov/Investments/Local-Government-Investment-Portfolio/LGIP-Investment-Rates>

### ***Bond Earnings Rates:***

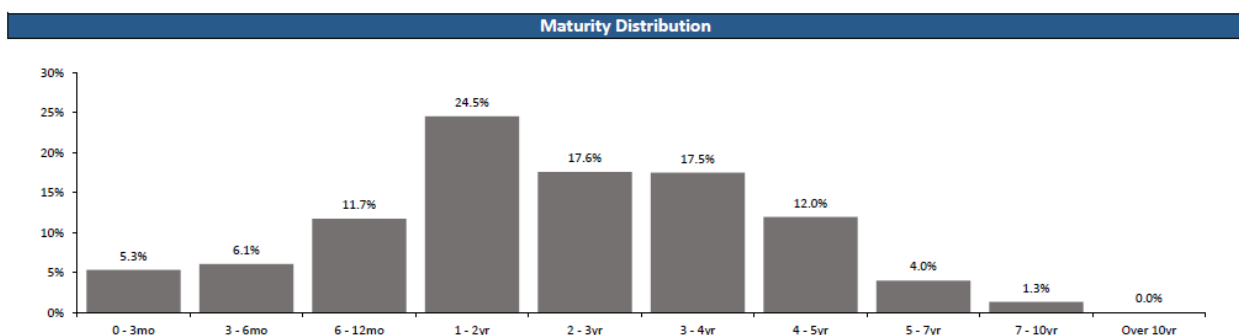
- Investment earnings rates tend to correlate with risk (“higher risk = higher returns”).
- Public funds investors are extremely risk averse and their earnings rates tend to correlate with investments considered to be extremely safe.
  - Examples include U.S. Treasury investments, U.S. Government Agency Bonds, and Federally insured CDs.
- 0–1-year U.S. Treasury rates have decreased from 5.20% to 3.98% over the past year.
- 5-year U.S. Treasury rates have also decreased, although not as sharply (4.65% to 3.91%).
- Below is a graph comparing Treasury rates on 4/25/2024 (yellow) compared to today (green):



(Note: Investment rates are on the left side of the graph, investment length is on the bottom)

### Portfolio Structure: Bond Laddering

- Many public entities spread out the length of their investments to minimize the risk that a large percentage of the portfolio is reinvested at a single point in time. This investment strategy is known as “laddering.”
- If investment rates go up, the short part of the portfolio benefits because it can be reinvested at a higher rate.
- If investment rates go down, the longer part of the portfolio benefits because it doesn’t have to be reinvested at the new, lower, investment rates.
- Below is a visual depiction of the County’s current investment “ladder” – that is, how the investment lengths are spread out:



Note #1: what is considered “short” and “long” is somewhat subjective in a bond market with maturities up to 30 years.

- Note #2: Cash that could be added to the portfolio is excluded from this visual representation. If included, the “short-term” positions would be much higher.

- Here, about 95% of the County’s investments are evenly spread out between 0 and 5 years. The *weighted average maturity* is 2.39 years.

- This “laddering approach” is designed to put the County in a fair position regardless of what happens to possible future investment rates. Therefore, we do not need to obsess over possible rate movement, but instead focus on what we *can* control (investment length, cash vs. investment allocation, etc.).

4. Please outline anticipated department revenues for fiscal year 2026 including projected impacts from present circumstances:

- Department revenues, excluding interest income, are expected to remain stable and consistent with FY25 levels. However, based on current market forecasts, interest rates are expected to decline modestly in FY26. As a result, a slight decrease in total interest revenue is anticipated.
- Interest earnings projections for FY26 continue to include all designated fund accounts (e.g., Solid Waste, Self-Insurance, Emergency 911), not just Current Expense. Therefore, the total interest revenue amount should not be interpreted as fully allocated to the Current Expense fund.
- Current Expense receives a proportionate share of the total interest earnings based on its share of eligible fund balances, which are generally recalculated semi-annually. Over the past three years, this proportion has ranged from 23.9% to 41.4%.

5. Have you had any recent fee adjustments that you included in your projections? Do you anticipate requesting fee adjustments in the upcoming fiscal year?

- No fee adjustments have occurred or are anticipated in FY 2026.

## “A” BUDGET - PERSONNEL BUDGET

*Please contact HR for review of all requested changes and new positions. Please reach out to the controller’s office to get an estimate for benefits. Please make sure to budget for all ancillary costs in onboarding a new employee. Please note such “B” budget costs associated with a new employee in your “B” budget as a variable cost contingent on the approval of a new position. You will need to build the following lines from zero:*

- 412032 Extended Shift
- 412035 Overtime
- 413050 Part-time

- 413060 Temporary
- 413065 Seasonal
- 413080 New/reclassified positions

6. Please explain the need for all new position requests. Please highlight each request if more than one request:
  - The Treasurer’s Office will not be requesting any new positions for FY 2026.
7. Please provide information for step-in-grade adjustments and promotions from one grade to a new grade:
  - The Treasurer’s Office is waiting for the BOCC recommendations at this time.
8. Please provide helpful information about any current vacancies that have been vacant for 6 months or more and reasons contributing to the prolonged vacancy. Is this position still needed? Are there adjustments needed to help fill this position?
  - Currently there are no unfilled positions in the Treasurer’s Office.

## “B” BUDGET – OPERATING EXPENDITURES

*Please note that all “B” budget items have rolled over as is from FY25 except for:*

- 577100 Computer Equipment
- 577110 Software
- 577120 Small Office Equipment
- 577121 Office Furniture

*You will need to consult with IT and Facilities to build those respective lines in Power Plan. Whereas, last year, we requested zero-based budgeting, these are really the only variable lines that need to be constructed from scratch with input from It and Facilities. You will need justifying narrative for line items comprised within these lines.*

9. How does your total B budget this year compare to last year? Please list the net difference. Please note any significant adjustments among various line items:
  - The FY26 B Budget reflects a net increase of \$33,912 compared to FY25. This represents a 11.77% increase from the prior year.

### **Significant Adjustments:**

- Misc. Professional Services – Increase of \$11,500 from FY25
- Service Contracts – Increase of \$3,000 from FY25
- Cellular Phone – Increase of \$1020 from FY25
- Postage – Increase of \$4000 from FY25
- Armored Car – Increase of \$2,917 from FY25
- Employee Appreciation – Increase of \$500 from FY25
- Computer Equipment – Increase of \$13,075 from FY25



## "C" BUDGET – CAPITAL BUDGET

*Please describe any property, equipment, project or similar items with an estimated useful life in excess of one year and an initial cost greater than \$5,000. Please note that all Capital lines have also been zeroed out. You will need to consult with Facilities where relevant for building these lines.*

- An individual item \$5,000-\$15,000 use 680 expense codes and are not depreciated.
- An individual item \$15,000 and over use 681, 682, 683, 684 codes and are depreciated.

Item or Project	Estimated Cost	Priority – see rating scale
Fit Gap Analysis to upgrade Aumentum-Cost to be shared with Assessor	\$125,000	IV

### Priority Rating Scale

**Priority I: Imperative** (Must-do)

- Corrects a public health or safety condition, satisfies legal obligation, prevents severe damage to county property, essential to providing mandated services

**Priority II: Essential** (Should-do)

- Repairs or replaces an obsolete facility or item, reduces future operating or maintenance costs, leverages funding sources

**Priority III: Important** (Could-do)

- Provides new or expanded services, reduces energy consumption, enhances cultural or natural resources

**Priority IV: Desirable** (Would like to do)

- Would be beneficial to operations but not an urgent need

10. How does the asset support or further the core mission of the county?

- The Treasurer's Office is requesting \$125,000 to complete a Fit-Gap Analysis and subsequent upgrade of the Aumentum software system. This investment will evaluate our current system configuration against business and statutory requirements, identify performance gaps, and implement necessary upgrades to improve functionality, compliance, and integration across departments. This project directly supports the county's mission of delivering efficient, transparent, and accountable public services. It will enhance internal operations, improve taxpayer service, and reduce the risk of system failures or non-compliance with legislative mandates.

11. What are the estimated ongoing operational costs and cost savings?

- The estimated ongoing operational costs are estimated at \$50,000-\$60,000 annually for support, maintenance, and licensing. However, the upgrade is expected to yield annual cost savings through:
  - Fewer IT service requests and system workarounds
  - Improved reporting for audit readiness
  - Faster processing times
  - Enhanced taxpayer access and faster payment processing

This proactive investment ensures Aumentum remains aligned with county needs, reduces long-term risk, and strengthens our ability to manage property tax administration effectively.