



2015

Annual Report

of the

County Treasurer's

Office

2015 Annual Report

Department Overview:

The County Treasurer is the custodian for money coming to the county, and money which by statute or county ordinance is directed to be paid to the treasurer. Money received through the courts, including fines, forfeitures, assessments, surcharges and court fees, are apportioned by the Treasurer. Other county departments initially receiving money also turn over the collections to the Treasurer for proper distribution.

On proper authorization, the Treasurer pays out all money belonging to the county, including disbursements for expenses incurred, debt payment and the county's payroll, on order of the County Board. Accurate records of receipts and expenditures are maintained bank accounts are reconciled on a monthly basis.

Unclaimed funds are funds held by the Treasurer's Office for an owner who is entitled to the money, but who has failed to claim ownership of it. Unclaimed funds may arise out of a variety of circumstances. The most frequent circumstance stems from the delivery of a payment which was not possible because of incorrect or incomplete address information for the recipient. The Treasurer's office takes on the duty of finding the rightful owners of these unclaimed funds, as provided by Wisconsin Statute 59.66.

The County Treasurer must maintain a sufficient cash flow at all times and evaluate investment opportunities of county funds not immediately needed. The Treasurer must also ensure sound management of public funds and maintain security while achieving maximum return.

The Treasurer Office serves as a resource and liaison for municipalities, the general public and other governmental units when dealing with tax roll matters, billing information as well as tax payment detail.

With respect to property taxes, the County Treasurer's Office is responsible for generating data to produce the property taxes rolls and tax bills for 33 municipalities within the county. The county has agreements in place with the City of Fond du Lac and the Village of North Fond du Lac, as its agent, for processing the collection of first and full payments of real estate property taxes, special assessments, special taxes and special charges. The remaining taxation district treasurers collect the first installments at the municipal level. The County Treasurer's Office collects the postponed real estate and delinquent property taxes for all municipalities.

Initial settlements with municipal treasurers are made for their respective portions of the total taxes collected by January 15th and February 20th. The initial tax settlement with the state occurs in March and final settlement with the state as well as other taxing jurisdictions is made by August 20th. The county settles with all taxing jurisdictions for 100% of the taxes levied, regardless if the taxes have been collected.

The Treasurer's Office settles with the municipalities in February for Payments in Lieu of Taxes (PILT). The Department of Natural Resources makes annual payments to the municipalities in lieu of real estate taxes to replace property taxes that would have been paid if the property had remained in private ownership. The municipalities are responsible for distributing it to corresponding taxing jurisdictions and special districts.

Fees are assessed annually against each private onsite wastewater treatment system (POWTS) in the county and placed on the tax bill as a special charge. Settlement between the county and municipalities takes place in February with regards to (POWTS) collections, made at the municipal level.

Annually by March 1, the County Treasurer must report to the state the number of Lottery and Gaming Credit claims issued as well as the total amount paid for each municipality. The county receives distribution from the state and must settle with each taxing jurisdiction by April 15th. The Lottery and Gaming Credit provides direct property tax relief to qualifying taxpayers in the form of a credit on their property tax bill. To qualify for the Lottery and Gaming Credit, the owner must be a Wisconsin resident, own a dwelling and use it as their primary residence as of the January 1 certification date of the year the property taxes are levied. If an owner is temporarily absent, typically for a period no longer than six months (ex: hospital, vacation, incarcerated), the primary residence is the home where the owner returns. Principal dwelling means any dwelling the owner of the dwelling uses as his/her primary residence.

The County Treasurer must report the number of First Dollar Credit claims issued and the total amount paid for each municipality to the state, annually on March 1. First Dollar Credit payments are distributed by the Department of Administration on the 4th Monday of July and the county treasurer must settle for these amounts no later than August 20th, annually. The First Dollar Credit provides direct property tax relief as a credit for Wisconsin property owners on their property tax bill. Every taxable parcel (business, commercial or private) containing a real property improvement, qualifies for the First Dollar Credit. Unlike the Lottery and Gaming Credit, the property does not have to be the owner's primary residence.

The Treasurer's Office maintains lottery and gaming credit records. Lottery and Gaming credit applications provide authorization to grant the credit to owners of a home in Wisconsin who use the home as their primary residence on January 1 of the year in which property taxes are levied. The treasurer's office mails lottery and gaming credit applications to owners and posts entries to the eligible parcels so tax bills reflect the credit for the current tax year.

Property that has benefited from agricultural classification and use-value assessment may be subject to a Conversion Charge. This occurs when its use is converted to residential, commercial, or manufacturing, or becomes exempt and the use is no longer agricultural. The County Treasurer is responsible for the administration of the conversion charge. The county collects the conversion charge and distributes 50% to the taxation district and 50% is retained by the county.

Unpaid real estate taxes constitute a lien against a given property. Delinquent notices and in-rem foreclosure proceedings are the result of such delinquencies. The Treasurer's Office manages the delinquent tax foreclosure process and is responsible for the advertising and bidding process for the sale of tax foreclosure properties. The properties are subsequently sold and the delinquent taxes and collection costs are retained by the County. Remaining profits from homestead property may be returned to the former homeowners, provided an affidavit of former ownership status, homestead use and request for payment is received by the Treasurer's Office within the designated timeframe.

2015 In Review:

Following are annual reports summarizing a financial, investment and collection summary for the year of 2015 and comparison year 2014. In addition you will find reports summarizing the uncollected real estate taxes and specials as well as certificates and foreclosures.

The Treasurer's Office continued to work with departments to increase online banking service through ACH (Automated Clearing House), EFT (Electric Funds Transfer) and credit/debit card transactions. The county website provides constituents with the ability to conduct their tax and fee payments online. Payment platforms where electronic payments and the web serve as primary methods to receive and process payments will continue to grow.

Rates on investments continued to be low in 2015 and interest earned overall was down slightly from 2014.

The Treasurer's office worked with departments and municipalities to create the publication of Unclaimed Funds and were successful in returning over \$3,000 of those funds to the rightful owners.

The Wisconsin Department of Revenue conducted an audit on Lottery and Gaming Credits claimed within Fond du Lac County. The treasurer's office spent a considerable amount of time reviewing reports for this audit, sending communication to home owners and reporting information to the State. The State used the reports to generate letters to homeowners requesting payment of Lottery and Gaming Credits from those home owners who received the credit in error on their 2014 tax bill. After their collection deadline, the State supplied the County with a report containing a list of parcels of those home owners who failed to repay the state and the amounts due. The Treasurer's Office added the amounts due as a special charge on the 2015 property tax bills and settled with the state earlier this year.

With respect to property taxes, the County Treasurer's Office generated 57,412 real estate and personal property tax bills last year. The real estate taxes totaled over 161 million dollars countywide, for tax year 2015. Collection agreements remained in place with the City of Fond du Lac and the Village of North Fond du Lac, as its agent, for processing the collection of first and full payments of real estate property taxes, special assessments, special taxes and special charges. The County Treasurer's office collected over 52 million dollars of real estate taxes for the City of Fond du Lac and Village of North Fond du Lac during December 2015 and February 2016. The remaining taxation district treasurers collected the first installments at the municipal level. The County Treasurer's Office continues to collect the postponed real estate and delinquent property taxes for all municipalities.

Uncollected real estate property taxes were down slightly from 2014. Delinquent Notices were mailed out to constituents in March, May, September and November of 2015, in an effort to collect unpaid taxes. The treasurer's office issued 1,305 tax certificates on delinquent 2014 property taxes, which was considerably lower than certificates issued in 2013 which totaled 1,583.

The Treasurer's Office continues to utilize the Tax Refund Intercept Program (TRIP). The program allows the county to submit delinquent taxes to the Department of Revenue. The Department of Revenue is authorized to intercept any state tax refund and refundable credit to pay debts owed to other government agencies. This program assists the county with payment on delinquent property taxes and fees. It also helps reduce the amount of tax foreclosures in Fond du Lac County.

The initial tax foreclosure process on delinquent 2011 taxes began on September 1, 2014. The original list included 219 parcels. The treasurer's office dedicated a considerable amount of time working with mortgage companies and property owners in arranging tax payment plans. On July 6, 2015, the courts granted title to Fond du Lac County on nine (9) properties. The county retained two properties. The remaining seven (7) properties were advertised. Fond du Lac County sold five (5) of those properties and four (4) properties, which include prior year foreclosures, remain available for purchase.

The Treasurer's office continues to streamline operations. Development and maintenance of in-house or outsourced programs will continue to grow and improve services provided to the taxpayers of Fond du Lac County.

Respectfully submitted,

Julie Hundertmark
Fond du Lac County Treasurer

FINANCIAL SUMMARY

<u>GENERAL CHECKING ACCOUNT</u>	<u>2015</u>	<u>2014</u>
Beginning Balance	\$ 33,158,062.51	\$ 36,063,763.55
Total Receipts	205,727,099.80	196,840,249.81
Total Disbursements	<u>(214,751,278.15)</u>	<u>(199,745,950.85)</u>
Ending Balance	24,133,884.16	33,158,062.51
 <u>PETTY CASH</u>		
Ending Balance	1,000.00	1,000.00
 <u>LOCAL GOVERNMENT INVESTMENT POOL</u>		
Ending Balance	7,882,327.70	8,865,293.25
 <u>SAVINGS ACCOUNTS</u>		
Ending Balance	53.64	53.64
 <u>CERTIFICATES OF DEPOSIT</u>		
Ending Balance	6,554,438.41	6,552,517.55
 <u>MONEY MARKET ACCOUNTS</u>		
Ending Balance	<u>83,142.84</u>	<u>82,897.20</u>
 TOTAL TREASURER'S CASH	\$ 38,654,846.75	\$ 48,659,824.15

SUMMARY OF INTEREST EARNED ON ALL INVESTMENTS

<u>INVESTMENT ACCOUNTS – GENERAL</u>	<u>2015</u>	<u>2014</u>
Local Government Investment Pool	\$ 12,661.91	\$ 7,746.64
Checking Account	48,695.58	42,733.68
Savings Accounts	-	17.49
Certificates of Deposit	38,817.65	74,172.55
Sheriff Canine Trust Fund	311.82	237.08
Money Markets	245.64	917.54
Passbook Account - Nutrition	<u>5.64</u>	<u>7.44</u>
TOTAL	\$ 100,738.24	\$ 125,832.42

*Interest Earned Net of Service Charges

LIST OF INVESTMENTS

WI LOCAL GOVERNMENT INVESTMENT POOL ACCOUNT

General Account	\$ 7,882,327.70
BALANCE AS OF 12/31/15	\$ 7,882,327.70

CERTIFICATES OF DEPOSIT

AMOUNT

American Bank	500,000.00
Associated Investment Services	500,000.00
Bank Mutual	500,000.00
Bank Mutual-Sheriff	51,669.85
Bank of Oakfield	500,000.00
BMO Harris Bank	500,000.00
Citizens Community Federal	500,000.00
Citizens First Credit Union	202,008.18
Fox Valley Savings Bank	500,000.00
Hometown Bank	500,000.00
Horicon Bank - Fond du Lac	500,000.00
Marine Credit Union	200,760.38
National Bank of Waupun	500,000.00
National Exchange Bank & Trust	1,100,000.00
TOTAL INVESTED	\$ 6,554,438.41

SAVINGS ACCOUNTS

Citizens First Credit Union	25.00
Marine Credit Union	28.64
BALANCE AS OF 12/31/15	\$ 53.64

MONEY MARKET ACCOUNTS

National Exchange Bank & Trust	
COP Risk Reserve	83,142.84
BALANCE AS OF 12/31/15	\$ 83,142.84

**SUMMARY OF
REAL ESTATE TAX COLLECTION
2014 TAX YEAR AND COMPARISON YEAR 2013**

	<u>COLLECTION YEAR 2015</u>	<u>COLLECTION YEAR 2014</u>
Delinquent Real Estate Taxes*	\$ 4,176,841.13	\$ 3,968,761.86
Postponed Real Estate Taxes*	24,463,576.02	25,980,544.61
Less Payments & Adjustments	<u>(27,631,194.57)</u>	<u>(28,749,402.07)</u>
TOTAL	\$ 1,009,222.58	\$ 1,199,904.40

**SUMMARY OF
SPECIALS COLLECTION
2014 TAX YEAR AND COMPARISON YEAR 2013**

	<u>COLLECTION YEAR 2015</u>	<u>COLLECTION YEAR 2014</u>
Specials in Trust*	\$ 367,635.80	\$ 364,579.52
Less Payments & Adjustments	<u>(211,927.78)</u>	<u>(230,561.01)</u>
TOTAL	\$ 155,708.02	\$ 134,018.51

* Balance after February Settlement

**SUMMARY OF REAL ESTATE TAX COLLECTION
ALL YEARS**

	<u>2015</u>	<u>2014</u>
Delinquent Real Estate Taxes - Jan 1	\$ 2,051,162.52	\$ 2,143,203.84
Plus Current Year Real Estate - Sept 1	1,939,273.55	2,264,447.83
Less Payments & Adjustments	<u>(2,262,444.25) *</u>	<u>(2,356,489.15) *</u>
OUTSTANDING REAL ESTATE TAXES	\$ 1,727,991.82	\$ 2,051,162.52

**SUMMARY OF SPECIALS COLLECTED
ALL YEARS**

	<u>2015</u>	<u>2014</u>
Specials - Jan 1	\$ 241,111.45	\$ 241,183.14
Plus Current Year Specials - Sept 1	207,671.73	173,393.69
Less Payments & Adjustments	<u>(188,597.41) *</u>	<u>(173,465.38) *</u>
OUTSTANDING SPECIALS	\$ 260,185.77	\$ 241,111.45

**SUMMARY OF INTEREST AND PENALTY COLLECTED
ALL YEARS**

	<u>2015</u>	<u>2014</u>
Interest on Delinquent Taxes	\$ 478,167.14	\$ 458,880.96
Interest on Delinquent Specials	44,095.27 **	32,645.79 **
Penalty on Delinquent Taxes and Specials	<u>257,036.31 ***</u>	<u>241,522.73 ***</u>
TOTAL	\$ 779,298.72	\$ 733,049.48

*Does not include interest and penalty

**All interest revenue on specials was returned to the Taxing District

*** All penalty revenue on Specials is retained by Fond du Lac County
as per Resolution No. 107-88, effective 11-11-88.

**SUMMARY OF UNCOLLECTED
REAL ESTATE TAXES**

<u>MUNICIPALITY</u>	<u>12/31/2015</u>	<u>12/31/2014</u>	<u>(INCREASE) DECREASE</u>
Town of Alto	\$ 23,486.99	\$ 26,640.78	\$ 3,153.79
Town of Ashford	30,761.74	41,290.65	10,528.91
Town of Auburn	53,692.93	55,706.37	2,013.44
Town of Byron	38,947.15	21,445.39	(17,501.76)
Town of Calumet	16,800.41	23,202.28	6,401.87
Town of Eden	6,506.34	2,799.47	(3,706.87)
Town of Eldorado	53,567.27	59,103.65	5,536.38
Town of Empire	41,562.38	39,208.95	(2,353.43)
Town of Fond du Lac	18,077.45	17,352.32	(725.13)
Town of Forest	17,603.49	27,888.82	10,285.33
Town of Friendship	26,253.67	19,822.88	(6,430.79)
Town of Lamartine	16,124.05	14,317.86	(1,806.19)
Town of Marshfield	8,492.04	2,329.05	(6,162.99)
Town of Metomen	15,199.42	22,372.09	7,172.67
Town of Oakfield	7,454.11	23,728.78	16,274.67
Town of Osceola	33,858.59	46,999.21	13,140.62
Town of Ripon	35,060.01	28,507.99	(6,552.02)
Town of Rosendale	439.92	494.29	54.37
Town of Springvale	6,495.86	5,474.00	(1,021.86)
Town of Taycheedah	19,178.75	27,910.99	8,732.24
Town of Waupun	30,971.02	37,314.01	6,342.99
Village of Brandon	7,660.61	6,347.73	(1,312.88)
Village of Campbellsport	37,537.67	14,104.46	(23,433.21)
Village of Eden		4,206.59	4,206.59
Village of Fairwater	640.23	948.60	308.37
Village of Mt. Calvary	6,765.78	5,221.23	(1,544.55)
Village of North Fond du Lac	56,618.82	68,412.23	11,793.41
Village of Oakfield	47,867.10	38,656.26	(9,210.84)
Village of Rosendale	5,090.64	3,160.59	(1,930.05)
Village of St. Cloud	982.98	1,091.43	108.45
City of Fond du Lac	791,450.14	796,088.37	4,638.23
City of Ripon	232,256.80	509,656.46	277,399.66
City of Waupun	40,587.46	59,351.90	18,764.44
TOTAL	\$ 1,727,991.82	\$ 2,051,155.68	\$ 323,163.86

**SUMMARY OF UNCOLLECTED
SPECIAL ASSESSMENTS, SPECIAL CHARGES
AND SPECIAL TAXES**

<u>MUNICIPALITY</u>	<u>12/31/2015</u>	<u>12/31/2014</u>	<u>(INCREASE) DECREASE</u>
Town of Alto	\$ 38.85	\$ 40.00	\$ 1.15
Town of Ashford	47.00	79.00	32.00
Town of Auburn	104.00	115.00	11.00
Town of Byron	2,139.05	1,016.24	(1,122.81)
Town of Calumet	2,734.19	1,944.19	(790.00)
Town of Eden	18.00	16.00	(2.00)
Town of Eldorado	1,971.81	1,700.57	(271.24)
Town of Empire	54.00	46.00	(8.00)
Town of Fond du Lac	1,150.36	1,147.86	(2.50)
Town of Forest	45.00	66.00	21.00
Town of Friendship	6,848.41	3,511.11	(3,337.30)
Town of Lamartine	793.00	590.00	(203.00)
Town of Marshfield	12.00	6.00	(6.00)
Town of Metomen	47.00	45.00	(2.00)
Town of Oakfield	12.00	24.00	12.00
Town of Osceola	1,024.00	1,033.66	9.66
Town of Ripon	116.00	91.00	(25.00)
Town of Rosendale	12.00	9.47	(2.53)
Town of Springvale	383.00	618.03	235.03
Town of Taycheedah	1,677.84	2,327.15	649.31
Town of Waupun	48.00	50.00	2.00
Village of Brandon	147.65	39.44	(108.21)
Village of Campbellsport	1,143.53	2,675.98	1,532.45
Village of Eden		850.50	850.50
Village of Fairwater		-	-
Village of Mt. Calvary	112.50	112.50	-
Village of North Fond du Lac	2,580.38	6,201.63	3,621.25
Village of Oakfield	3,003.23	2,685.06	(318.17)
Village of Rosendale	1,664.65	200.00	(1,464.65)
Village of St. Cloud	231.00	-	(231.00)
City of Fond du Lac	204,884.14	158,737.01	(46,147.13)
City of Ripon	26,297.31	53,042.47	26,745.16
City of Waupun	845.87	2,090.58	1,244.71
TOTALS	\$ 260,185.77	\$ 241,111.45	\$ (19,074.32)

**SUMMARY OF UNCOLLECTED REAL ESTATE TAXES
CURRENT TAX YEAR**

<u>TAX YEAR</u>	<u>REAL ESTATE TAX LEVY</u>	<u>UNCOLLECTED REAL ESTATE YEAR END</u>	<u>% OF UNCOLLECTED REAL ESTATE TOTAL TAX LEVY</u>
2015	166,176,362	In process of collection	
2014	156,491,010	1,009,340	0.64%
2013	163,859,934	1,199,904	0.73%
2012	160,176,409	1,346,049	0.84%
2011	156,387,386	1,757,050	1.12%
2010	155,330,734	1,893,075	1.22%
2009	148,337,866	1,643,770	1.11%
2008	140,245,771	1,409,049	1.00%
2007	132,581,539	1,147,651	0.87%
2006	120,248,567	1,044,369	0.87%
2005	122,761,805	1,066,124	0.87%

**SUMMARY OF UNCOLLECTED REAL ESTATE TAXES AND SPECIALS
ALL YEARS**

<u>TAX YEAR</u>	<u>UNCOLLECTED REAL ESTATE YEAR END</u>	<u>UNCOLLECTED SPECIALS YEAR END</u>	<u>TOAL UNCOLLECTED YEAR END</u>
2015	In process of collection	In process of collection	
2014	1,009,340	155,590	1,164,930
2013	2,051,156	241,111	2,292,267
2012	2,143,204	241,183	2,384,387
2011	2,812,821	333,580	3,146,401
2010	2,795,039	252,853	3,047,892
2009	2,437,594	225,144	2,662,738
2008	2,147,194	193,328	2,340,522
2007	1,821,751	152,021	1,973,772
2006	1,846,198	151,393	1,997,591
2005	1,706,985	107,444	1,814,429

CERTIFICATE AND FORECLOSURE SUMMARY

<u>TAX YEAR</u>	<u>CERTIFICATES ISSUED</u>	<u>IN-REM FORECLOSURE NO.</u>	<u>INITIAL NO. OF FORECLOSURE PROPERTIES</u>
2014	1305		
2013	1583		
2012	1680	46	238
2011	1844	45	219
2010	2080	44	285
2009	2051	43	248
2008	1845	42	233
2007	1684	41	221
2006	1409	40	179
2005	1591	40	82
2004	1743	39	130
2003	1789	39	83

<u>JUDGMENT YEAR</u>	<u>PROPERTIES GRANTED TO COUNTY</u>	<u>PROPERTIES SOLD</u>	<u>HOMESTEAD PROPERTY REPURCHASES</u>
2015	8	8	0
2014	9	5	0
2013	11	16	0
2012	14	13	2
2011	* 6	10	0
2010	* 11	8	1
2009	* 6	4	0
2008	15	8	3
2007	0	0	0
2006	6	3	2

* Foreclosure included two years