

2018

Annual Report



Office of the

County Treasurer

Departmental Overview:

The mission of the Treasurer's Office is to provide courteous service to our residents, to support local government and provide our citizens with efficient and accurate tax information. Our fiduciary responsibility is to ensure sound management of public funds by maximizing earnings, maintaining liquidity, and safekeeping all funds.

The Treasurer is the custodian of money paid to the County. Upon proper authorization, the Treasurer disperses said money for debt payments, expenses incurred and the County's payroll. Accurate records of receipts and expenditures are maintained and reconciled on a monthly basis.

The Treasurer must maintain sufficient cash flow and evaluate opportunities for the short-term investment of funds. The Treasurer must also ensure sound management of public funds and maintain security while achieving maximum return.

With respect to property taxes, the County Treasurer provides services to clerks and treasurers of the taxation districts by compiling summary reports, tax rolls and preparing real estate and personal property tax bills on an annual basis. The Treasurer's Office also serves as a resource and liaison for these municipalities, the general public and other governmental units when dealing with tax roll matters, tax billing information and tax payment detail.

In addition, the County has entered into agreements with the City of Fond du Lac and the Village of North Fond du Lac, as its agent, for the collection of first and full payments of real estate property tax, special assessments, special taxes and special charges. The treasurers of the remaining municipalities in the County collect these payments at their respective municipal levels. Pursuant to statute, the County Treasurer's Office collects the current year postponed real estate taxes and all delinquent taxes for the 33 municipalities within Fond du Lac County.

Initial settlements with municipal treasurers are made no later than January 15th and February 20th for their respective portions of the taxes collected. Final settlement with the taxing jurisdictions is made no later than August 20th. The County settles with all taxing jurisdictions for 100% of the taxes levied, regardless if the taxes were collected. The County does not settle with the taxing jurisdictions for special assessments or special charges. These collections are settled monthly after payments are received.

A fee is charged annually against each property that utilizes a private onsite wastewater treatment system (POWTS) in the County. The fee is placed on the tax bill as a special charge. Settlement between the County and the municipalities takes place in February for (POWTS) collections made at the municipal level.

Unpaid real estate taxes constitute a lien against a given property. Delinquent notices and foreclosure proceedings are the result of such delinquencies and steps are taken to acquire title to the property. The Treasurer's Office manages, with assistance from the Corporation Counsel's Office, the delinquent tax foreclosure process and is responsible for the bidding procedure. Proceeds from the sale of homestead property are returned to the former homeowner, less the delinquent taxes, interest, penalty and related foreclosure costs, provided an affidavit of former ownership status, homestead use and request for payment is received by the Treasurer's Office within the designated timeframe.

The Treasurer's Office continues to utilize the Tax Refund Intercept Program (TRIP). 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 tax foreclosures in Fond du Lac County.

The Lottery and Gaming Credit provides direct property tax relief to qualifying taxpayers in the form of a credit against 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: hospitalization, vacation, incarceration), the primary residence is the home where the owner returns. The Treasurer's Office mails lottery and gaming credit applications to owners. After the completed applications are received, entries are posted to the eligible parcels so tax bills will reflect the credit for the current tax year. 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 no later than April 15th.

The First Dollar Credit also provides direct property tax relief as a credit for Wisconsin property owners against their property tax bill. Every taxable parcel (business, commercial or residential) 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 County Treasurer must report the number of First Dollar Credit claims issued and the total amount paid for each municipality to the State. 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.

Every February, the Department of Natural Resources submits Payments in Lieu of Taxes (PILT) to municipalities to replace property taxes that would have been paid if state-owned property had remained in private ownership. The municipalities are responsible for distributing the funds proportionately to the corresponding taxing jurisdictions, special districts and the County. The Treasurer's Office collects the County's portion of these payments.

Unclaimed funds are funds held by the County on behalf of an owner who is entitled to the money but who has failed to claim ownership of said funds. The Treasurer's Office takes on the duty of providing public notification in an attempt to locate the rightful owners of these unclaimed funds, as provided by Wisconsin Statute §59.66.

Property that has benefited from agricultural classification and use-value assessment may be subject to a Conversion Charge if its use is converted to residential, commercial or manufacturing. The County Treasurer is responsible for the administration of the conversion charge. The County collects said conversion charge and distributes 50% to the taxation district and 50% is retained by the County.

The County Treasurer is also required to file various reports with the State throughout the year. Those reports include, but are not limited to: property tax-related reports, Real Estate Transfer Fee Transmittal Report, Probate and Birth Certificate Report and the Court Fines and Assessment Reports.

2018 In Review:

The following are reports summarizing the County's financial, investment and collection activity for the calendar year of 2018 and the comparison year of 2017. Also included are reports regarding uncollected real estate taxes and specials assessments/charges, tax certificates and foreclosures.

Interest rates on investments continued to steadily increase during 2018 resulting in interest earnings more than doubling the total earned during 2017.

With respect to property taxes, the County Treasurer's Office generated 60,978 real estate and personal property tax bills last year. The tax bills totaled nearly \$170,000,000 countywide, for tax year 2018. 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 \$54,845,647 for the City of Fond du Lac and Village of North Fond du Lac during the period of December 2018 thru the February 2019 settlement. The remaining taxation district treasurers collected the first installments at their 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 realized a 14.3% decrease from 2017. Delinquent Notices are routinely mailed to property owners in March, May, September and November. On September 1, the Treasurer's Office issued 1,201 tax certificates for delinquent 2017 property taxes. This was a 4% decrease compared to 2016 which totaled 1,251 certificates.

The 2018 tax foreclosure process summarized:

- **1,305** - tax certificates issued on September 1, 2015 for delinquent 2014 taxes.
- **93** - properties remained delinquent as of September 1, 2017.
- **49** - properties were listed on the PETITION FOR COMMENCEMENT OF PROCEEDING IN REM TO FORECLOSE TAX LIENS filed with the Court on March 1, 2018.
- **10** - properties were awarded to the County via Judgment granted by the court on July 2, 2018.

During 2018, the County accepted bids for seven (7) of these properties, one (1) was repurchased within 60-days by the prior owner/occupant per the homestead ordinance, and two (2) properties are expected to sell in 2019.

By year-end 2018, the County an inventory of seven (7) properties intended for public purchase including the two (2) remaining properties acquired in 2018, three (3) odd-shaped slivers from prior years, and two (2) abutting properties acquired in 2015 that will be impacted by a major expansion of a state highway.

The 2018 net fiscal impact to the county derived from the sale of foreclosure property was \$349,341.

Respectfully submitted,

Brenda A Schneider
Fond du Lac County Treasurer

FINANCIAL SUMMARY

| <u>GENERAL CHECKING ACCOUNT</u> | <u>2018</u> | <u>2017</u> |
|--|-------------------------|-------------------------|
| Beginning Balance | \$ 21,268,850.23 | \$ 31,169,464.41 |
| Total Receipts | 230,748,326.16 | 207,004,064.49 |
| Total Disbursements | <u>(223,811,343.98)</u> | <u>(216,904,678.67)</u> |
| Ending Balance | 28,205,832.41 | 21,268,850.23 |
| <u>PETTY CASH</u> | | |
| Ending Balance | 1,000.00 | 1,000.00 |
| <u>LOCAL GOVERNMENT INVESTMENT POOL</u> | | |
| Ending Balance | 16,080,702.36 | 16,517,944.52 |
| <u>SAVINGS ACCOUNTS</u> | | |
| Ending Balance | 53.64 | 53.64 |
| <u>CERTIFICATES OF DEPOSIT</u> | | |
| Ending Balance | 3,508,118.49 | 4,706,392.84 |
| <u>MONEY MARKET ACCOUNTS</u> | | |
| Ending Balance | <u>70,470.98</u> | <u>84,625.43</u> |
| TOTAL TREASURER'S CASH | \$ 47,866,177.88 | \$ 42,578,866.66 |

SUMMARY OF INTEREST EARNED ON ALL INVESTMENTS

| <u>INVESTMENT ACCOUNTS – GENERAL</u> | <u>2018</u> | <u>2017</u> |
|--------------------------------------|----------------------|----------------------|
| Local Government Investment Pool | \$ 245,024.83 | \$ 92,183.15 |
| Checking Account* | 521,765.92 | 239,998.76 |
| Savings Accounts | - | - |
| Certificates of Deposit | 89,887.66 | 40,455.55 |
| Sheriff Canine Trust Fund | - | 267.38 |
| Money Markets | 1,702.55 | 1,000.06 |
| Passbook Account - Nutrition | <u>33.18</u> | <u>21.30</u> |
| TOTAL | \$ 858,414.14 | \$ 373,926.20 |

*Interest Earned Net of Service Charges

LIST OF INVESTMENTS

WI LOCAL GOVERNMENT INVESTMENT POOL ACCOUNT

| | |
|-------------------------------|-------------------------|
| General Account | \$ 16,080,702.36 |
| BALANCE AS OF 12/31/18 | \$ 16,080,702.36 |

CERTIFICATES OF DEPOSIT

AMOUNT

| | |
|--------------------------------|------------------------|
| Associated Investment Services | 500,000.00 |
| Bank Mutual | 650,000.00 |
| Bank Mutual-Sheriff | 50,000.00 |
| BMO Harris Bank | 500,000.00 |
| Fox Valley Savings Bank | 500,000.00 |
| Hometown Bank | 500,000.00 |
| Marine Credit Union | 205,153.77 |
| National Exchange Bank & Trust | 100,000.00 |
| Verve Credit Union | 502,964.72 |
| TOTAL INVESTED | \$ 3,508,118.49 |

SAVINGS ACCOUNTS

| | |
|-------------------------------|-----------------|
| Verve Credit Union | 25.00 |
| Marine Credit Union | 28.64 |
| BALANCE AS OF 12/31/18 | \$ 53.64 |

MONEY MARKET ACCOUNTS

| | |
|--------------------------------|---------------------|
| National Exchange Bank & Trust | |
| COP Risk Reserve | 70,470.98 |
| BALANCE AS OF 12/31/18 | \$ 70,470.98 |

**SUMMARY OF
REAL ESTATE TAX COLLECTION
2017 TAX YEAR AND COMPARISON TAX YEAR 2016**

| | <u>COLLECTION YEAR 2018</u> | <u>COLLECTION YEAR 2017</u> |
|-------------------------------|-----------------------------|-----------------------------|
| Delinquent Real Estate Taxes* | \$ 3,544,539.72 | \$ 3,426,147.05 |
| Postponed Real Estate Taxes* | 22,375,262.00 | 23,736,563.93 |
| Less Payments & Adjustments | <u>(25,024,332.05)</u> | <u>(26,144,047.84)</u> |
| TOTAL | \$ 895,469.67 | \$ 1,018,663.14 |

**SUMMARY OF
SPECIALS COLLECTION
2017 TAX YEAR AND COMPARISON TAX YEAR 2016**

| | <u>COLLECTION YEAR 2018</u> | <u>COLLECTION YEAR 2017</u> |
|-----------------------------|-----------------------------|-----------------------------|
| Specials in Trust* | \$ 333,000.66 | \$ 265,990.53 |
| Less Payments & Adjustments | <u>(189,391.83)</u> | <u>(154,913.09)</u> |
| TOTAL | \$ 143,608.83 | \$ 111,077.44 |

* Balance after February Settlement

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

| | <u>2018</u> | <u>2017</u> |
|--|-------------------------|-------------------------|
| Delinquent Real Estate Taxes - Jan 1 | \$ 1,701,330.47 | \$ 1,762,223.21 |
| Plus Current Year Real Estate - Sept 1 | 1,715,499.93 | 1,849,002.88 |
| Less Payments & Adjustments | <u>(1,958,015.04) *</u> | <u>(1,909,895.62) *</u> |
| OUTSTANDING REAL ESTATE TAXES | \$ 1,458,815.36 | \$ 1,701,330.47 |

**SUMMARY OF SPECIALS COLLECTED
ALL YEARS**

| | <u>2018</u> | <u>2017</u> |
|-------------------------------------|-----------------------|-----------------------|
| Specials - Jan 1 | \$ 204,278.77 | \$ 269,909.55 |
| Plus Current Year Specials - Sept 1 | 172,045.28 | 146,445.13 |
| Less Payments & Adjustments | <u>(155,908.20) *</u> | <u>(212,075.91) *</u> |
| OUTSTANDING SPECIALS | \$ 220,415.85 | \$ 204,278.77 |

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

| | <u>2018</u> | <u>2017</u> |
|---|-----------------------|-----------------------|
| Interest on Delinquent Taxes | \$ 345,973.39 | \$ 368,772.23 |
| Interest on Delinquent Specials | 26,496.05 ** | 47,718.70 ** |
| Penalty on Delinquent Taxes and Specials | <u>181,843.96 ***</u> | <u>204,161.77 ***</u> |
| TOTAL | \$ 554,313.40 | \$ 620,652.70 |

*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>12/31/2018</u> | <u>12/31/2017</u> | <u>(INCREASE) DECREASE</u> |
|------------------------------|------------------------|------------------------|--------------------------------|
| Town of Alto | \$ 36,761.81 | \$ 36,895.31 | \$ 133.50 |
| Town of Ashford | 15,953.02 | 25,891.56 | 9,938.54 |
| Town of Auburn | 17,301.80 | 39,788.70 | 22,486.90 |
| Town of Byron | 26,361.38 | 31,067.59 | 4,706.21 |
| Town of Calumet | 30,617.50 | 20,914.14 | (9,703.36) |
| Town of Eden | 3,920.14 | 4,743.79 | 823.65 |
| Town of Eldorado | 60,638.03 | 79,933.36 | 19,295.33 |
| Town of Empire | 29,017.32 | 25,898.64 | (3,118.68) |
| Town of Fond du Lac | 16,504.83 | 22,724.11 | 6,219.28 |
| Town of Forest | 3,188.90 | 1,129.19 | (2,059.71) |
| Town of Friendship | 17,553.13 | 24,828.05 | 7,274.92 |
| Town of Lamartine | 10,053.45 | 4,068.57 | (5,984.88) |
| Town of Marshfield | 8,407.18 | - | (8,407.18) |
| Town of Metomen | 23,575.43 | 44,823.23 | 21,247.80 |
| Town of Oakfield | 11,788.22 | 28,605.13 | 16,816.91 |
| Town of Osceola | 30,665.15 | 45,396.86 | 14,731.71 |
| Town of Ripon | 27,131.88 | 19,470.67 | (7,661.21) |
| Town of Rosendale | 345.11 | 1,536.64 | 1,191.53 |
| Town of Springvale | 6,438.96 | 17,570.89 | 11,131.93 |
| Town of Taycheedah | 47,953.79 | 46,134.64 | (1,819.15) |
| Town of Waupun | 12,057.86 | 13,485.52 | 1,427.66 |
| Village of Brandon | 3,268.00 | 5,132.79 | 1,864.79 |
| Village of Campbellsport | 17,183.11 | 36,269.03 | 19,085.92 |
| Village of Eden | 1,448.59 | 478.32 | (970.27) |
| Village of Fairwater | 3,478.57 | 958.23 | (2,520.34) |
| Village of Mt. Calvary | 3.49 | 1,141.44 | 1,137.95 |
| Village of North Fond du Lac | 49,367.13 | 57,178.53 | 7,811.40 |
| Village of Oakfield | 9,982.82 | 17,987.29 | 8,004.47 |
| Village of Rosendale | 7,710.36 | 9,257.25 | 1,546.89 |
| Village of St. Cloud | 2,213.06 | 3,842.68 | 1,629.62 |
| City of Fond du Lac | 774,912.54 | 788,999.94 | 14,087.40 |
| City of Ripon | 124,023.74 | 205,670.76 | 81,647.02 |
| City of Waupun | 28,989.06 | 39,507.62 | 10,518.56 |
| TOTAL | \$ 1,458,815.36 | \$ 1,701,330.47 | \$ 242,515.11 |

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

| <u>MUNICIPALITY</u> | <u>12/31/2018</u> | <u>12/31/2017</u> | <u>(INCREASE) DECREASE</u> |
|------------------------------|----------------------|----------------------|--------------------------------|
| Town of Alto | \$ 46.00 | \$ 42.00 | \$ (4.00) |
| Town of Ashford | 34.00 | 42.00 | 8.00 |
| Town of Auburn | 73.00 | 65.00 | (8.00) |
| Town of Byron | 999.27 | 1,116.43 | 117.16 |
| Town of Calumet | 33.00 | 30.00 | (3.00) |
| Town of Eden | 7.00 | 12.00 | 5.00 |
| Town of Eldorado | 4,002.28 | 3,793.00 | (209.28) |
| Town of Empire | 2,693.96 | 1,282.63 | (1,411.33) |
| Town of Fond du Lac | 2,566.05 | 2,428.80 | (137.25) |
| Town of Forest | 7.00 | - | (7.00) |
| Town of Friendship | 5,849.81 | 7,756.36 | 1,906.55 |
| Town of Lamartine | 378.00 | 168.00 | (210.00) |
| Town of Marshfield | 14.00 | - | (14.00) |
| Town of Metomen | 39.00 | 71.98 | 32.98 |
| Town of Oakfield | 14.00 | 36.00 | 22.00 |
| Town of Osceola | 647.00 | 901.00 | 254.00 |
| Town of Ripon | 140.00 | 67.00 | (73.00) |
| Town of Rosendale | 7.00 | 6.00 | (1.00) |
| Town of Springvale | 207.31 | 834.00 | 626.69 |
| Town of Taycheedah | 4,239.08 | 2,505.79 | (1,733.29) |
| Town of Waupun | 27.00 | 12.26 | (14.74) |
| Village of Brandon | - | - | - |
| Village of Campbellsport | 803.90 | 962.29 | 158.39 |
| Village of Eden | - | - | - |
| Village of Fairwater | 37.44 | - | (37.44) |
| Village of Mt. Calvary | - | - | - |
| Village of North Fond du Lac | 14,884.23 | 13,199.65 | (1,684.58) |
| Village of Oakfield | 896.10 | 1,009.20 | 113.10 |
| Village of Rosendale | 2,630.90 | 3,369.51 | 738.61 |
| Village of St. Cloud | 243.00 | 729.00 | 486.00 |
| City of Fond du Lac | 174,425.22 | 144,884.84 | (29,540.38) |
| City of Ripon | 4,400.76 | 18,639.29 | 14,238.53 |
| City of Waupun | 70.54 | 314.74 | 244.20 |
| TOTALS | \$ 220,415.85 | \$ 204,278.77 | \$ (16,137.08) |

**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> |
|-----------------|-----------------------------|---|--|
| 2018 | 169,868,572 | In process of collection | |
| 2017 | 168,331,747 | 895,470 | 0.53% |
| 2016 | 165,987,578 | 1,018,663 | 0.61% |
| 2015 | 166,176,362 | 1,035,103 | 0.62% |
| 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% |

**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> |
|-----------------|---|--------------------------------------|----------------------------------|
| 2018 | In process of collection | In process of collection | |
| 2017 | 1,458,815 | 220,416 | 1,679,231 |
| 2016 | 1,701,330 | 204,279 | 1,905,609 |
| 2015 | 1,762,223 | 269,910 | 2,032,133 |
| 2014 | 1,727,992 | 260,186 | 1,988,178 |
| 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 |

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> |
|-----------------|----------------------------|-----------------------------------|--|
| 2017 | 1201 | | |
| 2016 | 1251 | | |
| 2015 | 1262 | 49 | 107 |
| 2014 | 1305 | 48 | 93 |
| 2013 | 1583 | 47 | 139 |
| 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 |

| <u>JUDGMENT YEAR</u> | <u>PROPERTIES GRANTED TO COUNTY</u> | <u>PROPERTIES SOLD</u> | <u>HOMESTEAD PROPERTY REPURCHASES</u> |
|--------------------------|---|----------------------------|---|
| 2018 | 10 | 13 | 1 |
| 2017 | 12 | 7 | 0 |
| 2016 | 8 | 6 | 1 |
| 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 |

* Foreclosure included two years