



SHEBOYGAN COUNTY

Laura Henning-Lorenz
County Treasurer

Jayne Dragan
Office Supervisor

February 26, 2010

To: Adam Payne, County Administrator and the Honorable Members of the Sheboygan County Board of Supervisors

Re: County Treasurer's 2009 Annual Report

Dear Administrator Payne and the Honorable Members of the Sheboygan County Board of Supervisors:

On behalf of the team members of the Treasurer's office, I am pleased to present our 2009 Annual Report. Overall I have reflected and can say that a great deal of work was accomplished in our office during 2009. This makes me proud to work with the wonderful group of team members in this office. These team members are highly motivated, professional, and enthusiastic people who work so well together.

The County Treasurer's office along with the former real property listing office went through a great deal of change due to consolidation efforts that saved County taxpayers \$70,990 during calendar year 2009.

I am pleased to report that the 2008 taxes collected in 2009 were done so timely and according to the Wisconsin State statutes. This office collects delinquent and second installment real estate tax payments for all 28 municipalities.

Recorded documents such as split and straight type property transfers that were filed during calendar year 2009 were all processed timely. This allowed municipal assessors the ability to perform their duties of assessing property for the upcoming tax year with accurate and timely information. The real property listing duties and responsibilities are very important to the County since the work done at the County level allows tax bills to be sent to the most current owner on record in December.

I, along with the team members of this office look forward to our partnership with Administrator Payne, the County Board of Supervisors, and the Finance Committee. I would like to thank the supervisors for their support throughout the past year. This office looks forward to meeting the needs of the taxpayers of Sheboygan County.

Respectfully submitted,

Laura Henning-Lorenz
Sheboygan County Treasurer

Enclosure: as noted

COUNTY TREASURER 2009 ANNUAL REPORT

MISSION STATEMENT

The mission statement of the Sheboygan County Treasurer's office is to serve the public and other units of government in the most friendly, efficient, and effective manner possible.

SUMMARY OF RESPONSIBILITIES

The County Treasurer is an elected public official, whose constitutional duties are defined in the Wisconsin State Statutes section 59.25. Those duties include receiving moneys belonging to the County. Currently the Treasurer's office collects first installment payments for 12 municipalities and also the second installment (postponed) and delinquent payments for all 28 municipalities. Other responsibilities include, but are not limited to paying out tax moneys to municipalities during tax collection; paying out moneys to the State for taxes collected; keeping a true and correct account of the receipts and expenditures that come through the Treasurer's office; and tracking and reporting unclaimed funds.

The County Treasurer invests unexpended revenues and reserves with various banking and investing institutions, maintaining the County's investment portfolio. Funds in the County's general account are utilized to meet the needs of payrolls and approved vouchers.

It is necessary to file timely reports with the State throughout the year. Those reports include but are not limited to the District Treasurers Tax Roll Settlement Reports, Lottery Credit Report, Sales Tax Reports, Real Estate Transfer Fee Transmittal Reports, Probate and Birth Certificate Reports, and the Court Fines and Assessment Reports.

The duties and responsibilities of the real property lister are identified in Wisconsin State Statute section 70.09 and indicate that the real property lister maintain accurate ownership and description information of parcels, including parcel numbers, owner's names, legal descriptions, mailing addresses, number of acres, school districts, and special purpose districts. The real property lister reconciles assessment information from the assessors and coordinates the flow of assessment information between the County and taxation district for assessment and taxation purposes.

There were 56,524 2008 bills (real estate and personal property) printed for the 2009 first installment tax collection season. This is an increase of 692 bills versus last year and is mostly attributable to land splits and new subdivisions. The County Treasurer's office contracted with 12 municipalities during the 2008/2009 season, collecting approximately 63% of the County's first installment taxes. A total of 16,648 notices were printed in June for the second installment tax collection period. This was an increase of 157 notices from the prior year. Our office maintains the tax rolls in a central file for Sheboygan County. Rolls are open to the public and are consulted daily by representatives from real estate companies, title insurance companies, financial companies, and the general public.

Unpaid real estate taxes constitute a lien against a given property. Delinquency notices and In Rem proceedings are the result of such delinquencies. Property that is obtained by Sheboygan County via In Rem proceedings is advertised in the County's official newspaper as a legal notice and on the County Treasurer's web site as Tax Foreclosed Property for Sale and sold by sealed bid. The County Treasurer's office also attends Sheriff's sales (mortgage foreclosures) to verify the reported amount of property tax due on property being sold. There were 256 properties sold by Sheriff's sale during 2009, an increase of 58 properties from 2008. An additional 127 properties were cancelled from being sold, an increase of 34 from 2008.

GOALS AND OBJECTIVES ACHIEVED IN 2009

Our office was officially consolidated with the real property listing office in January. Prior to the consolidation many coordination meetings took place and construction in the Treasurer's office was

completed. Over the year we have realized all of the benefits of becoming one office. The consolidation resulted with an annual savings of \$70,990, starting in 2009 for our taxpayers.

Our office worked on daily, monthly, quarterly, and annual tasks. This included, but is not limited to payments that were receipted for property taxes, County invoices, grant funding, and miscellaneous payments; conducted banking routines; filed multiple reports with the State, which included the First Dollar Credit report and Lottery and Gaming Credit report; completed recording all straight and split documents from the prior year; reconciled the preliminary assessment rolls and rolled over that information into 2009; provided assessors with work rolls, data files, and spreadsheets for the first time mostly in electronic files in an effort to save money on paper; created and distributed tax rolls to our 28 municipalities; created and mailed delinquent statements 9 times during the year; completed January, February, and August tax settlements with our 28 municipalities and the State; collected second installment property tax payments from the time notices were mailed on June 6th until the end of July; processed address changes; continued going through the process of reconciling assessment rolls prior to open book, prior to board of review, and after board of review as our 10 municipal assessors made changes and corrections; written procedural instructions were placed in our shared directory area; continued efforts to update written procedural instructions throughout the entire office; agricultural use conversion fees were invoiced and collected; personal property charge backs were processed, education was provided by our office to all local municipalities; County-wide Lottery and Gaming Credit certification of our database was completed with the help of most of our local municipalities; Laura and Jayne attended continuing education seminars for treasurers and real property listers; and tax certificates were issued on all real property that had unpaid taxes. As we came closer to the next first installment tax cycle our office along with Information Systems (IS) started building tax bills by entering and reconciling manufacturing values, special assessments, special charges, and special taxes. Statement of Assessments were completed by all 28 municipalities and reviewed by our office. The same was true for the Statement of Taxes. As errors were discovered they were brought to the municipality's attention and corrected. This information was then passed along to the State. Prior to first installment tax bills being mailed in December our office entering all taxes that were prepaid into our computer system. As tax bills were mailed electronic payments were coordinated with several of our major mortgage and tax servicing companies. The temporary team members that are hired in our office during tax collection seasons were trained to handle the some of the questions and process payments of our taxpayers. Tax rates were posted to our departmental internet site 1 month earlier than the prior year.

In addition to our daily, monthly, quarterly, and annual tasks our office took on several special projects. Due to the consolidation of real property listing into the Treasurer's office cross-education took place throughout the entire year. This has allowed all team members to assist taxpayers with a wider variety of questions and requests, some of which we are being handled for the first time in our office. It has been a real pleasant learning experience. Also due to the consolidation, our office needed to downsize our storage space with regard to some of our paper records. A project that consisted of scanning all paper tax bills was complete. This was done with the help of Janet from the IS department. The bills are archived in digital form in our directory and no longer take up 4 units of shelving, or 84 boxes of bills. Once that project was complete our office was able to move the remaining retained records that had been temporarily stored in the training room into our storage room. This allowed our office the opportunity to sort through real property listing retained records, label, and place destruction dates on them. Maps, which are used by the public daily, were removed from the old covers that were approximately 30 years old and in very poor condition and transferred to new map book covers.

Due to legislative changes, 2009 was the first year that our office received the Lottery and Gaming Credit payment for the entire County. It is our new responsibility to turn around and pay all of our municipalities, which was done and completed timely.

A new team member came to our office in May, replacing a person who had retired. Shortly thereafter our office planned for an alternative collection point for second installment taxes due to the construction taking place on New York Avenue and 5th Street. The Highway Department was very accommodating and allowed our office a computer and work space for collections. The Highway Department went so far as to make eye-catching signage, letting our taxpayers know where to enter their building, as well as being instrumental in providing a temporary site for the outside drop box. Newspaper ads and an article ran in several local newspapers, alerting taxpayers of this payment point option. During the 10 schedule times collection services were at the Highway Department 286 people were served.

Other special projects that were completed were flagging bankruptcies in our tax software, which was an added efficiency to our office, and new deposit software as implementation. Something new to our office was the closing of a sanitary district by a township. It is interesting to have learned about all of the different pieces of work that need to be done in order to accomplish the assessing/taxation part of this process. Also new this year, our office asked for all apportionment sheets from all taxing jurisdictions in the County. This allowed our office to examine every tax rate sheet from top to bottom, verifying all entries on the form and allowed our office to catch mistakes, which resulted in our avoiding sending out erroneous tax bills. This is a very important and worthwhile addition to our workload. Lastly, while mentioning workload the City of Sheboygan has decided to no longer conduct the real property listing duties and responsibilities that they took on over 60 years ago. Beginning in 2010 our office will be performing those duties and responsibilities. Throughout the year many meetings and hours of time were spent on working on the transition details.

BUDGET

As of December 31, 2009 the Treasurer's office had a year-to-date positive variance of \$11,765.79. Expenses ended with a positive variance mainly due to work that continues to be in-progress for In Rem properties, hiring temporary tax collection team members through the County versus through an agency, lowering the need of duplicating costs, and the retirement of a team member. Regarding revenue, our office experienced a positive overall variance mainly due to higher than anticipated revenue from the State for payment in lieu of taxes, and higher than budgeted health and dental reimbursement.

As our office looks forward to 2010, each line item in each of our two business units has been scrutinized and savings implemented for as many line items as possible. Our department has historically functioned very frugally and we will continue to search for cost saving processes and procedures for the people that we serve. I am pleased that our office was able to meet its budget target for 2010.

ISSUES, CONCERNS, OR CHALLENGES

This is the 6th year that I am mentioning our main issue, constraint and challenge; that being the ability of several departments within the County to work together to find an enterprise land record system. It seems as though the Land Information Committee has discussed the matter and seems to be aware of our issues. An enterprise land record system would reduce the number of independent and separate software systems that users of land records in Sheboygan County are licensing, maintaining, and supporting. Additional reductions would be seen in integrations and file sharing that link some of those systems together. Many manual processes and data discrepancies between systems take time and resources to trace and resolve and could be eliminated. The long-term results would be lowered taxes by having one enterprise land record system; end users that have a system that is easy to work with; and availability for the public to access this information in a format that is user-friendly. It is my opinion that an expert is needed to assist our County in finding and procuring such software. Counties of all sizes in Wisconsin have hired consultants and in my opinion are more successful because of it. Procuring an enterprise land record system is a big deal and will cost money, so the use of an expert should not be taken lightly, nor ignored. As examples, one Wisconsin county hired a consultant, who studied workflow patterns in several land record related county offices, resulting in a preliminary recommendation of a variety of enterprise systems for that county. Other states have organized a land record consortium and have implemented a new land record enterprise system in several pilot counties. During the next budget process of the Land Information Committee I will again propose to move forward with a consultant, who will help to identify a land record enterprise system that we will be able to work with based upon our needs.

GOALS AND OBJECTIVES FOR 2010

Our office will be in the midst of more changes during 2010. Outlined below there are few, but rather time consuming goals and objectives for our office.

- Work with the Land Information Committee to budget for consulting assistance in identifying needs and recommendations for an enterprise land record system. To go further, prepare for the process of needs identification upon selection of a consultant.
- Settle into the additional workload of the real property listing duties and responsibilities that the City of Sheboygan has decided to no longer support. This will include processing all straight and split transfers of property, address change updates, as well as assisting the public. The listing duties are tedious and must be done to perfection since any other level of work will result in erroneous tax bills. Along with this goal, our office will need to procure maps for the City of Sheboygan and transfer physical records from the City of Sheboygan to our office. The maps will include the involvement of the IS and Planning departments.

I am very fortunate to be surrounded by a team of amazing people that are willing to accept the many changes that have been initiated. Jayne Dragan, Jack Verhelst, Kendra Versey, Jane Villeneuve, Jeff Lampe, and Brenda Goddard have all worked very hard during 2009. I look to the County Board of Supervisors for their support during the upcoming year as our office takes on the real property listing duties and responsibilities for the City of Sheboygan. Our office will continue to implement new ideas that end in more efficient and effective governmental services for the public. This office is truly dedicated to being servants and communicators of their knowledge to the residents of Sheboygan County.

4/27/2009

**SHEBOYGAN COUNTY
TREASURER'S OFFICE**

