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September 28, 2016

FINANCE and BUDGET COMMITTEE REPORT

Updates from the Auditor's Office

- The [Auditor's Quarterly Financial Report for the Third Quarter of Fiscal 2016](#) was circulated to stakeholders on September 20th. It can also be accessed online by clicking on the link above.
- The [internal audit of the Supervisor of Assessments](#) has been completed. The draft report was submitted to Mark Armstrong, and his management response to the sole finding has been included in the final report. That report was circulated to all stakeholders on September 20, 2016 and has been published on the website at the above link.

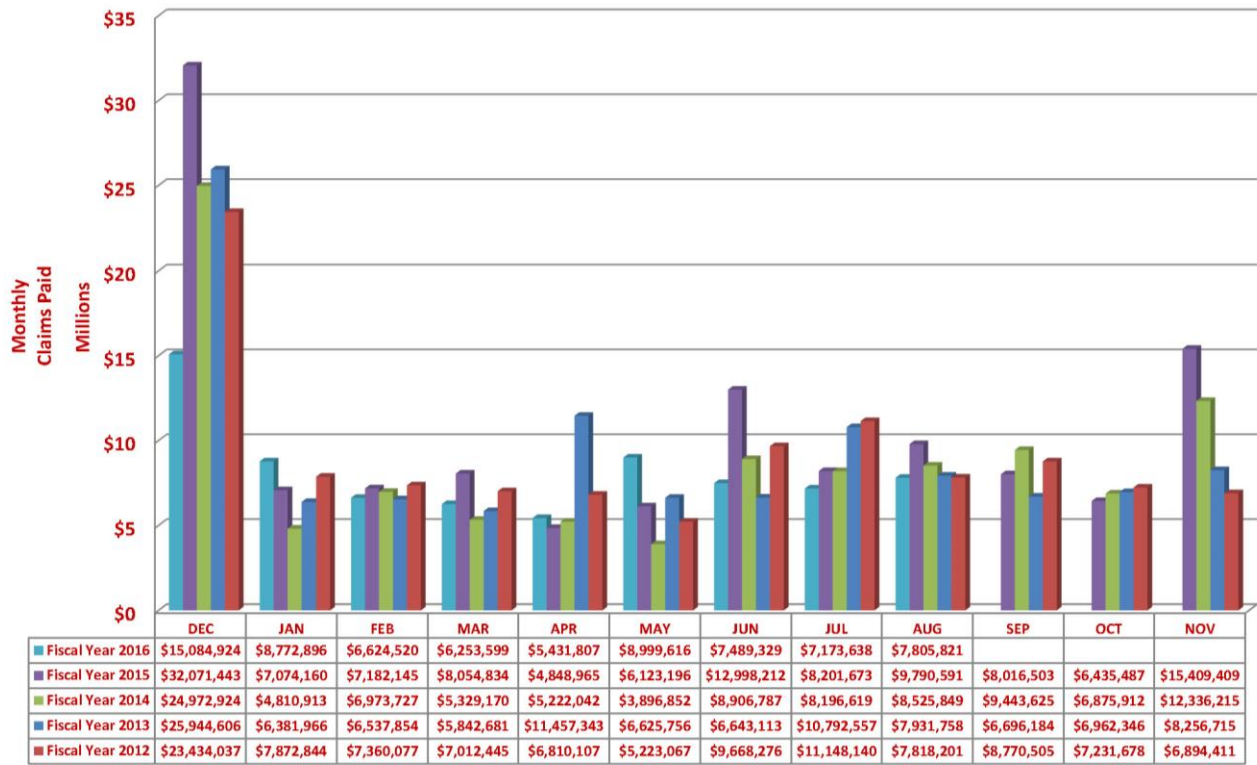
Accounts Payable Claims Paid Report

- The **Accounts Payable Claims Paid Report for August 2016** shows 1,722 invoices were processed which resulted in payments of \$7,805,821.

The supporting detail is available on the **Kane County OpenGov** platform. The following link will connect to the [online checkbook for August 2016](#). Reports for previous months are available as saved views on the [Kane County Online Checkbook](#).

The following chart illustrates the comparison between accounts payable claims paid by month for fiscal years 2012 through 2016.

**Comparison of Accounts Payable Claims Paid by Month
Fiscal Years 2012 through 2016**



Auditor's Quarterly Report

- The [Auditor's Quarterly Financial Report for the 3rd Quarter](#) of Fiscal 2016 is available. A brief power point will provide a quick summary of that information, as well as some additional details. Slides of that presentation have been included in the agenda packet.

Auditor's Quarterly Financial Report Overview

THIRD QUARTER FISCAL YEAR 2016
QUARTER ENDED AUGUST 31, 2016

Presented to the Finance and Budget Committee
September 28, 2016



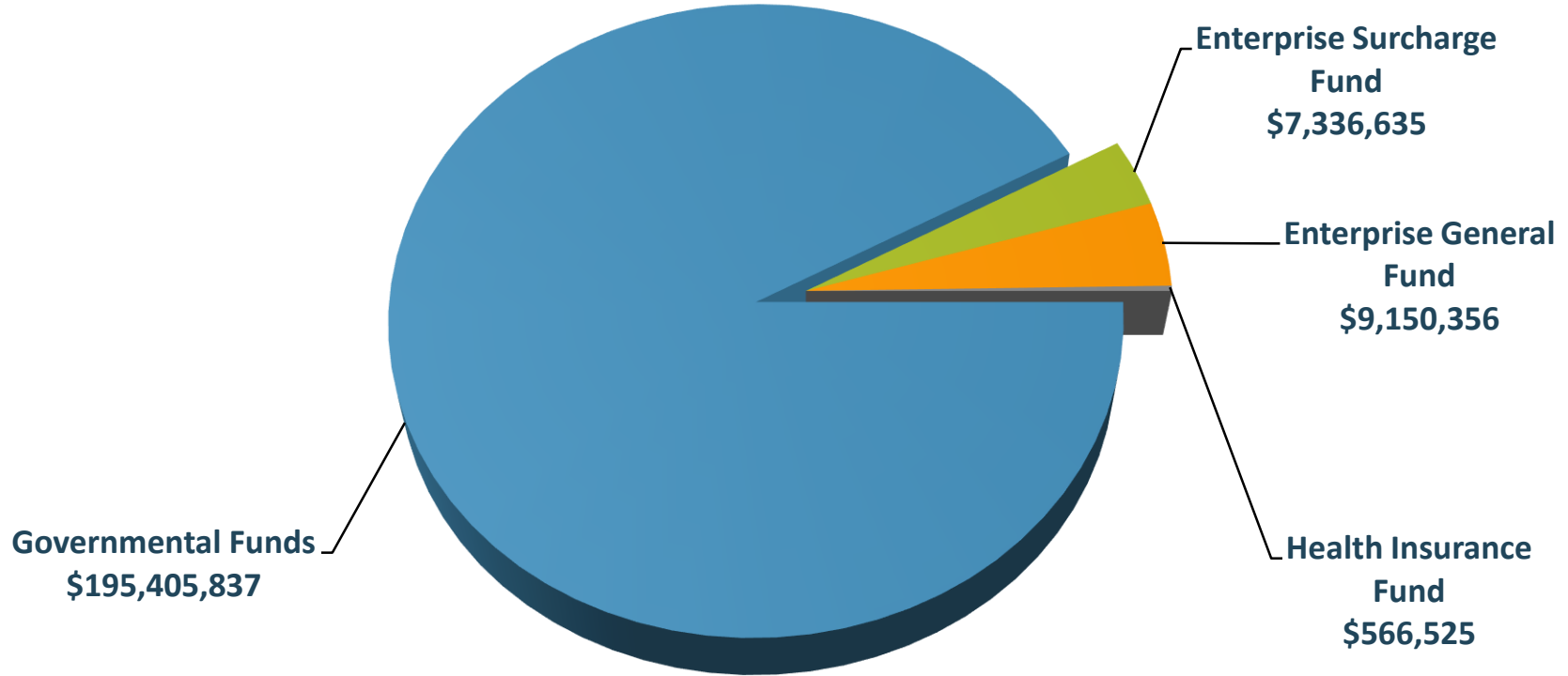
Countywide Funds



Countywide Funds (as of August 31, 2016)

COUNTYWIDE FUNDS	ANNUAL BUDGET	YEAR-TO-DATE
Revenues	\$ 220,835,983	113,204,067
Expenditures & Encumbrances	220,835,983	157,695,015
Excess/(Deficiency) Revenues over Expenditures	0	(44,490,948)
Other Financing & Net Transfers In/(Out)	0	0
Less: Encumbrances Included Above	0	26,502,099
Net Change in Countywide Funds Balance	0	(17,988,849)
Countywide Funds Balance, Beginning of Year		230,448,202
Countywide Funds Balance, End of Quarter	\$	212,459,353

Countywide Funds



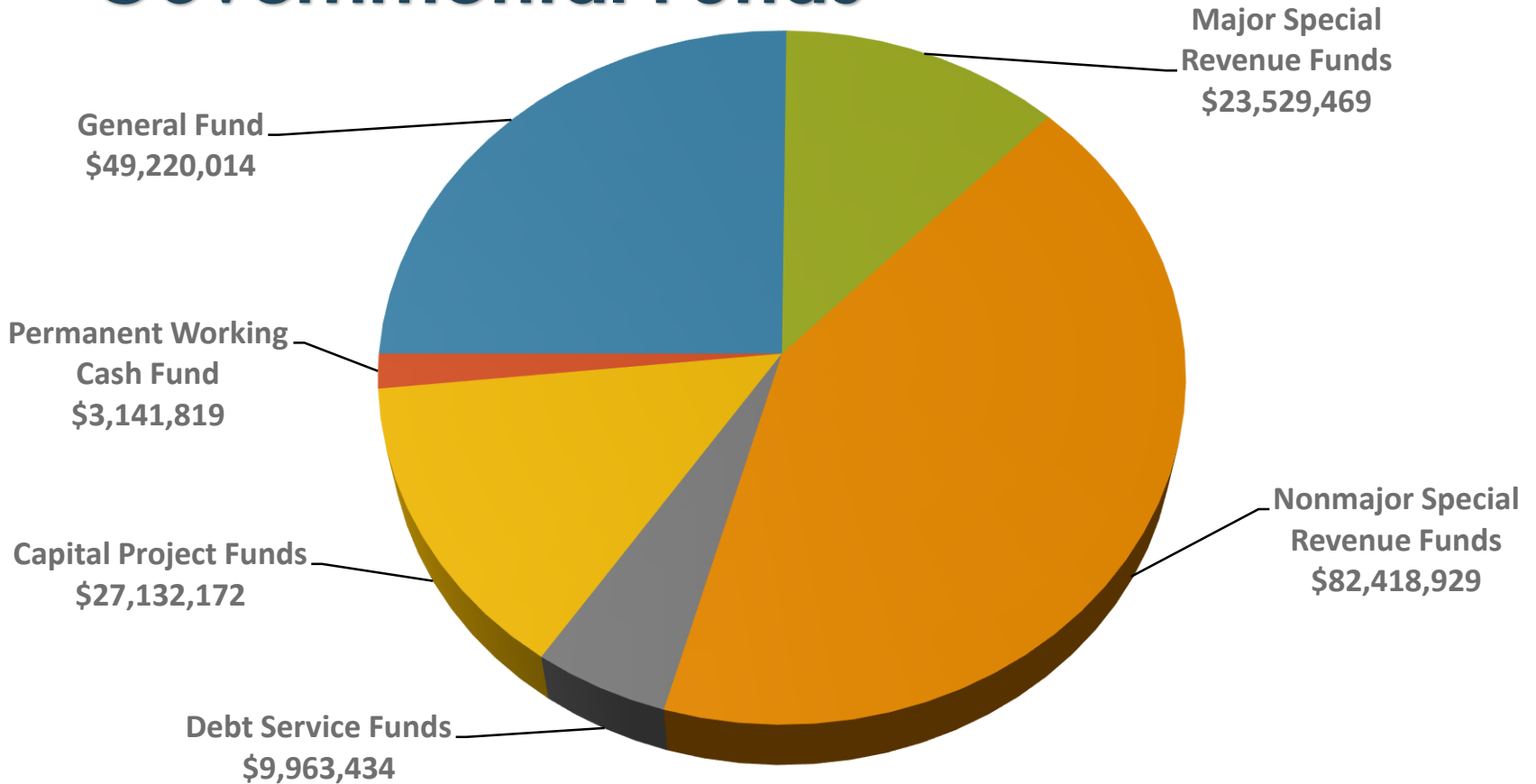
Governmental Funds



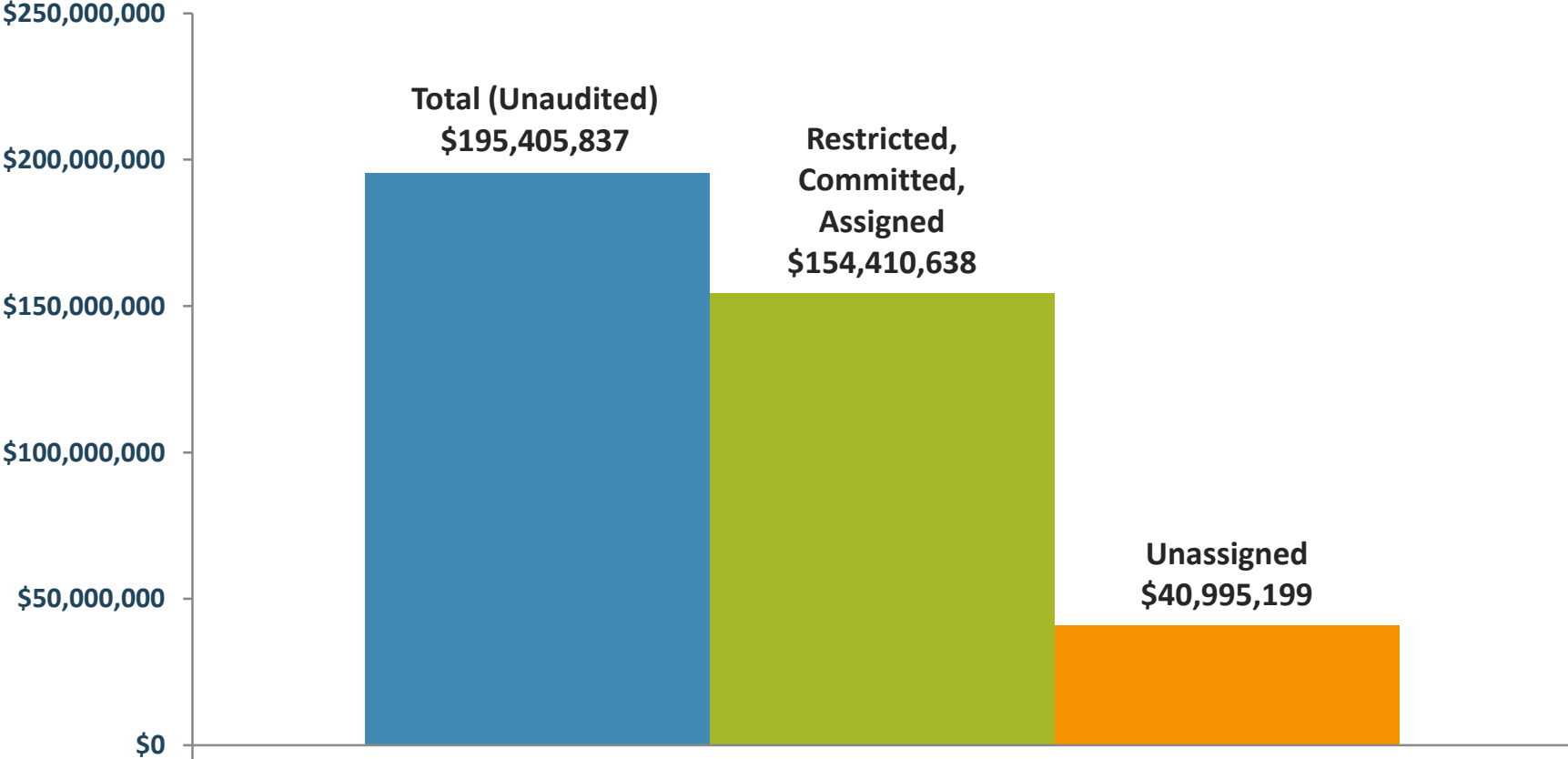
Governmental Funds (as of August 31, 2016)

GOVERNMENTAL FUNDS	ANNUAL BUDGET	YEAR-TO-DATE
Revenues	\$ 201,261,142	102,904,022
Expenditures & Encumbrances	201,328,529	143,778,753
Excess/(Deficiency) Revenues over Expenditures	(67,387)	(40,874,731)
Other Financing & Net Transfers In/(Out)	67,387	67,387
Less: Encumbrances Included Above	0	26,382,672
Net Change in Countywide Funds Balance	0	(14,424,672)
Governmental Funds Balance, Beginning of Year		209,830,509
Governmental Funds Balance, End of Quarter	\$	195,405,837

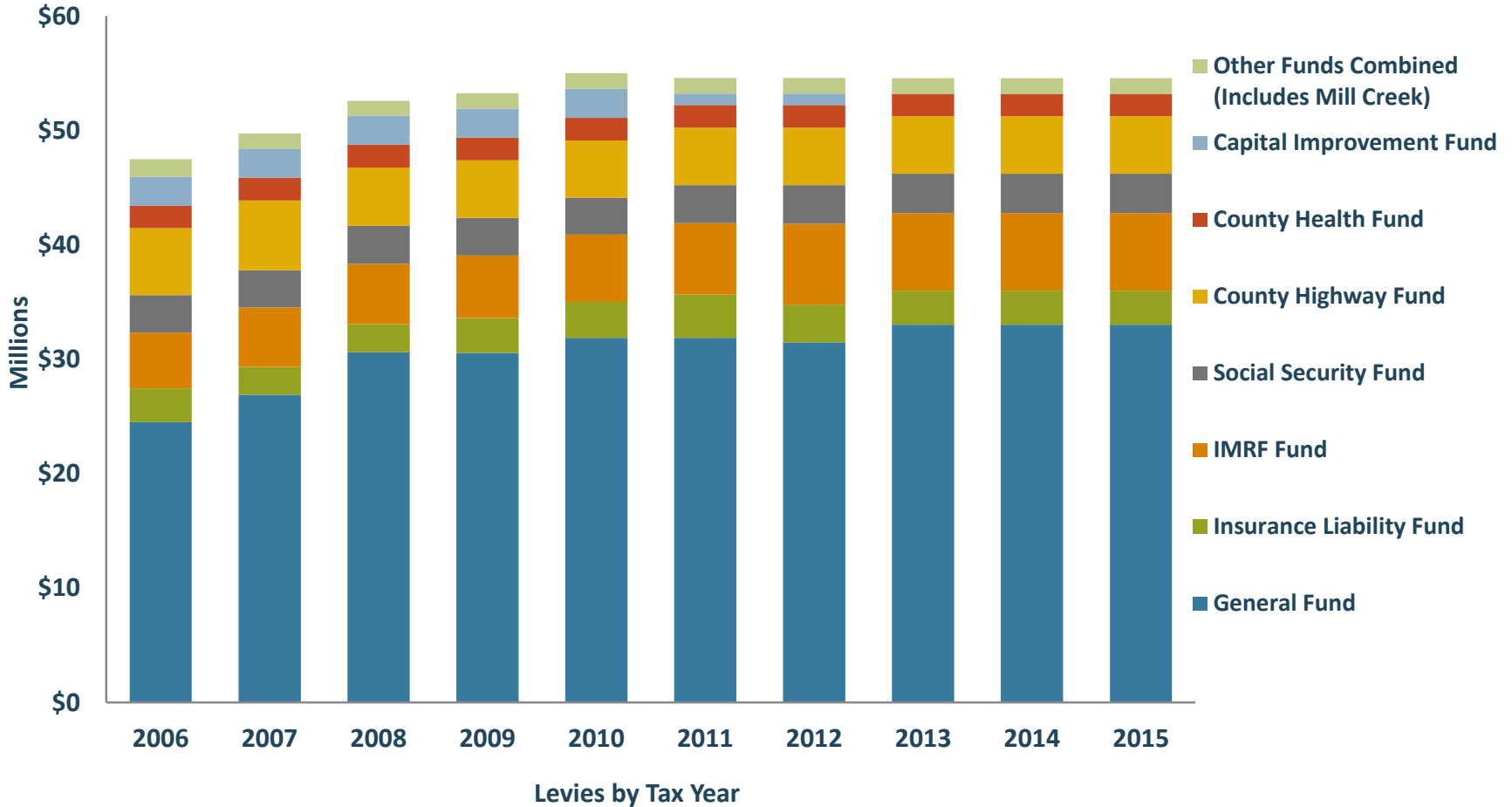
Governmental Funds



Governmental Funds (as of August 31, 2016)



Governmental Funds



Change in Major Special Revenue Funds

- In previous years the Motor Fuel Local Option Fund and the Transportation Sales Tax Funds were categorized as major special revenue.
- For Fiscal Year 2015 the IMRF Fund was re-classified as a major special revenue fund, and the Motor Fuel Local Option Fund was reclassified as a non-major special revenue fund.
- For Fiscal Year 2016, the quarterly report reflects these changes in both the budget and actual results.

Notes on Special Revenue Funds

- Property Tax revenues are not collected evenly throughout the year. For *Special Revenue Funds only*, Property Tax Revenues are budgeted to be +/- \$21.6M for fiscal 2016. Through three quarters of the year, the revenues collected are just \$11.6M (53.7% of budget).
- Similarly, other tax revenue collections may also lag. For *Special Revenue Funds only* the budget is \$31.4M and YTD collections are \$18.8M (60.0% of budget).

Notes on Special Revenue Funds

- The following funds are running significant YTD deficits due to the timing issues related to the collection of property tax revenues. Each of these funds is expected to be within budget as collections catch up to the budget.
 - Insurance Liability Fund
 - FICA/Social Security Fund
 - Mill Creek SSA

Notes on Special Revenue Funds

- The following funds are running significant YTD deficits due to issues related to the collection of other tax revenues. It is unclear as to whether the revenue shortfall is temporary due to delayed payments, or permanent due to over-estimated revenues. These particular funds are brought to attention due to the relationship between the YTD deficit and the current fund balance.
 - Public Safety Sales Tax \$794K deficit vs \$881K balance.
 - Judicial Tech Sales Tax \$2.9M deficit vs \$2.1M balance.
 - Court Automation \$162K deficit vs \$258K balance.
 - Court Document Storage \$150K deficit vs \$149K balance.

Notes on Special Revenue Funds

- The following fund is running a much smaller deficit but is worth noting due to the relationship between the YTD deficit and the current fund balance.
 - Children's Waiting Room \$32K deficit vs 17K balance.

Notes on Special Revenue Funds

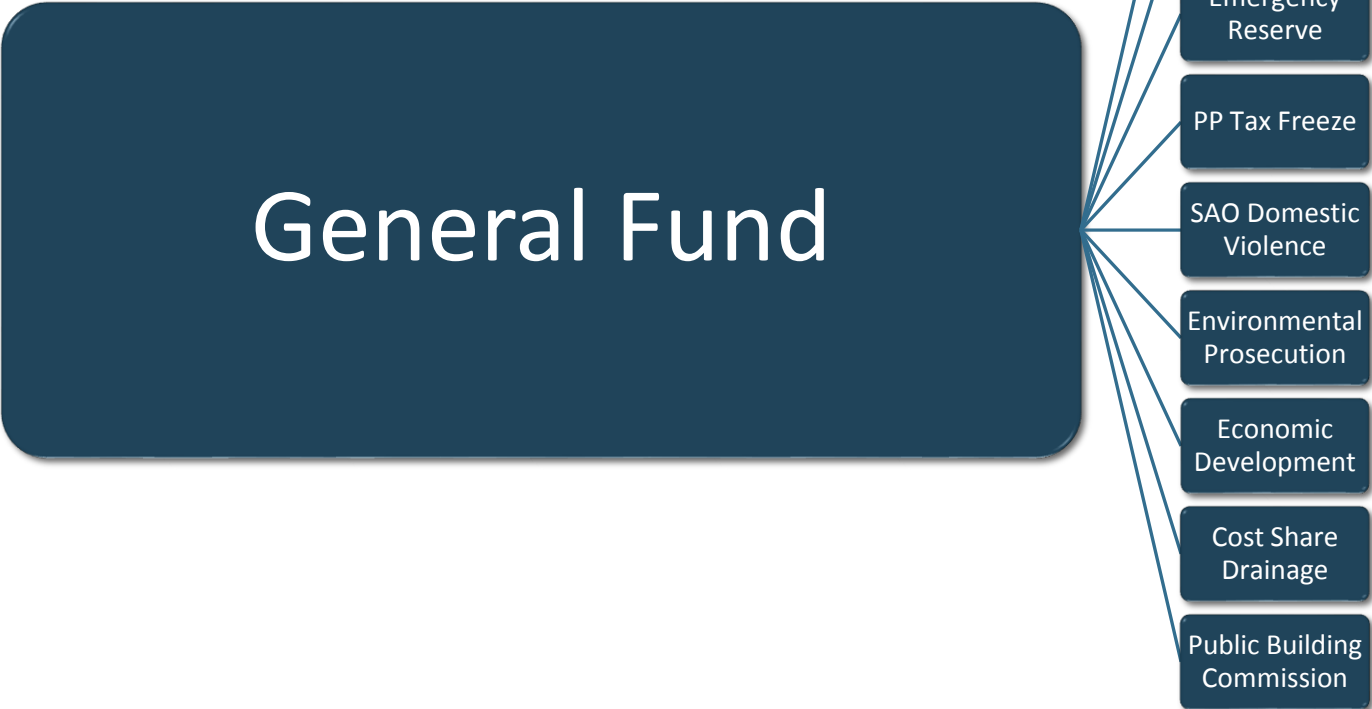
- Court Security was subsidized with an internal transfer of approximately \$552K. Without that transfer, this fund would be running a deficit of approximately \$471K. However the combination of increased court security fees and the transfer, the fund is actually operating with a surplus of +/- \$81K year-to-date.

This represented an additional deficit of \$90K for the third quarter alone.

Notes on Special Revenue Funds

- Animal Control is operating at a year-to-date surplus of \$184K and now has a fund balance of \$165K, which demonstrates a continuation of the positive trend in that department.

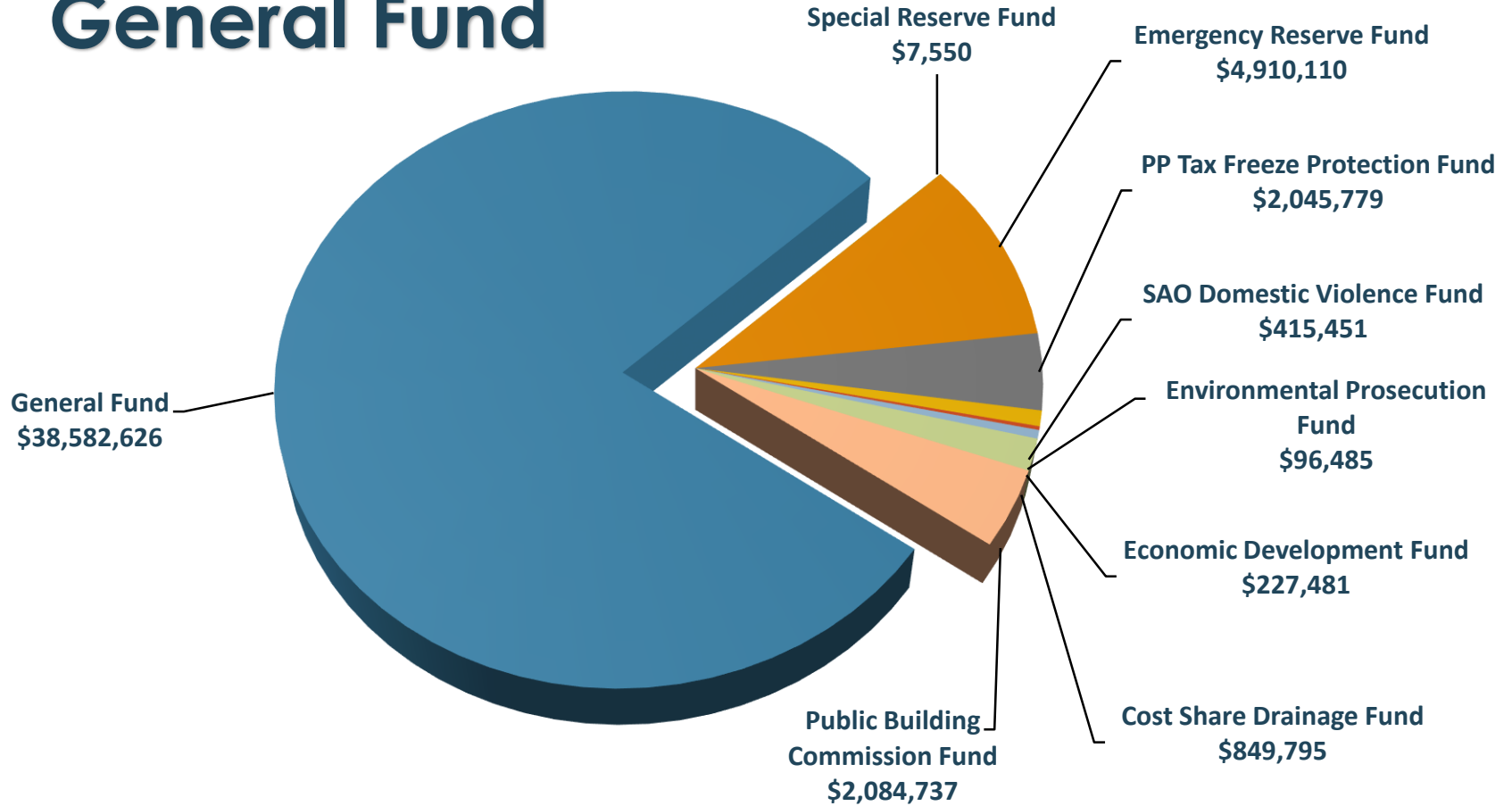
General Fund



General Fund (as of August 31, 2016)

GENERAL FUND	ANNUAL BUDGET	YEAR-TO-DATE
Revenues	\$ 82,336,013	45,680,100
Expenditures & Encumbrances	80,455,096	56,227,067
Excess/(Deficiency) Revenues over Expenditures	1,880,917	(10,456,967)
Other Financing & Net Transfers In/(Out)	(1,880,917)	(1,958,026)
Less: Encumbrances Included Above	0	251,337
Net Change in General Funds Balance	0	(12,253,626)
General Funds Balance, Beginning of Year		61,473,670
General Funds Balance, End of Quarter	\$	49,220,014

General Fund



Any questions?

