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**April 26, 2017**

**FINANCE and BUDGET COMMITTEE REPORT**

**Updates from the Auditor's Office**

- The **County Auditor's [Quarterly Financial Report](#)** for the **1<sup>st</sup> Quarter of Fiscal 2017** was circulated to all members of the Board and the Finance Advisory Group on April 11<sup>th</sup>. The report is also published on the Kane County Auditor's website.
- The **internal audit report for the department of [Environmental & Water Resources](#)** was circulated to both the County Development and Environmental Committees on April 10<sup>th</sup>. The report is also published on the Kane County Auditor's website.
- The **internal audit report for covering [Agency Funds](#)** was circulated to members of the Finance Committee and the Finance Advisory Group on April 18<sup>th</sup>. The report is also published on the Kane County Auditor's website.
- The **internal audit report for covering [Tax Sale Automation Fund \(Fund 150\)](#)** was circulated to members of the Finance Committee and the Finance Advisory Group on April 18<sup>th</sup>. The report is also published on the Kane County Auditor's website.
- The **internal audit report of the [Treasurer/Collector](#)** was circulated to the Treasurer, members of the Finance Committee and the Finance Advisory Group on April 24<sup>th</sup>. The report is also published on the Kane County Auditor's website.

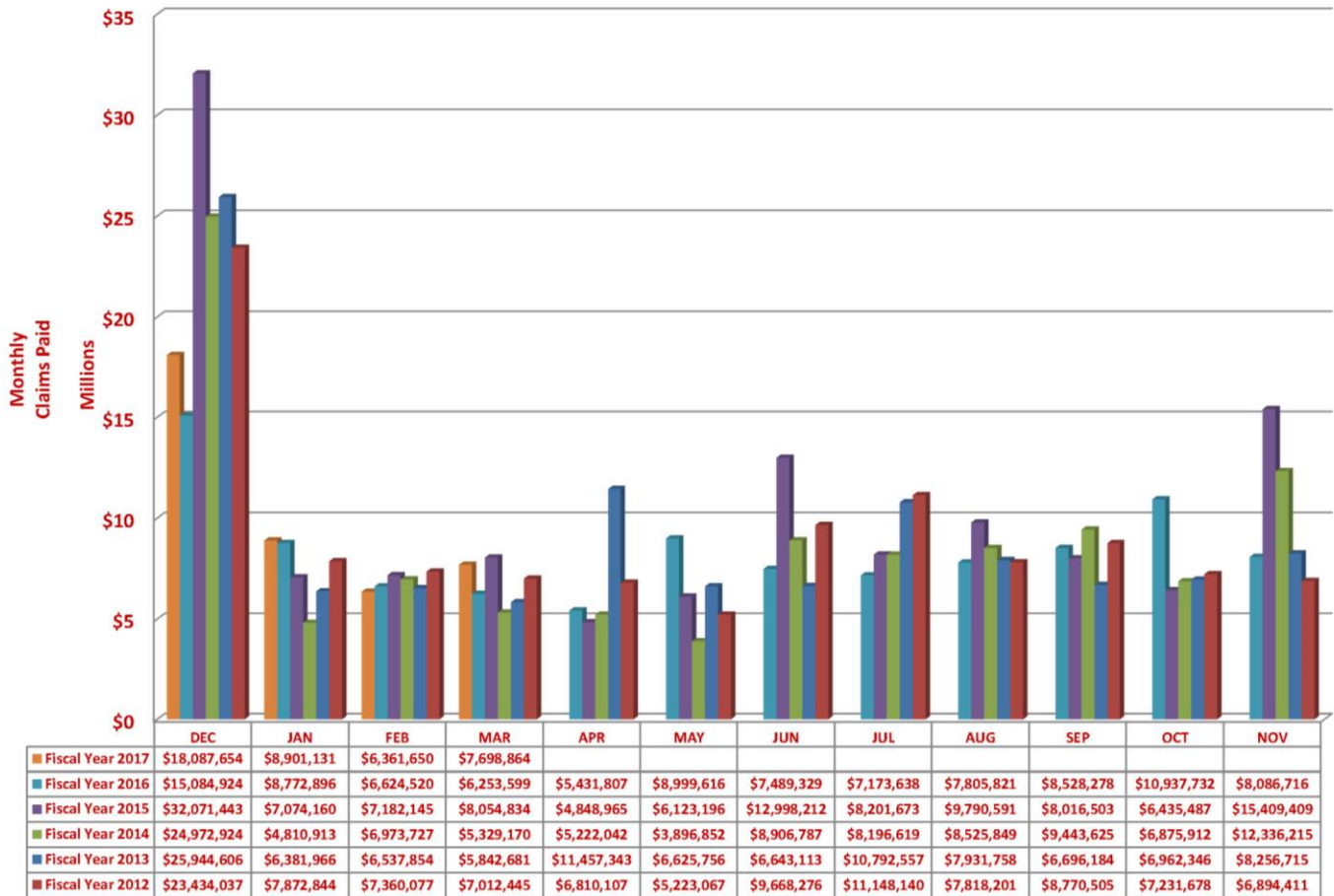
**Accounts Payable Claims Paid Report**

The **Accounts Payable Claims Paid Report for March 2017** shows that 1,968 invoices were processed which resulted in payments of \$7,698,864.29.

The supporting detail is available on the **Kane County OpenGov** platform. The following link will connect to the **[online checkbook for March 2017](#)**. Reports for previous months are also 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 2017 to date.

## Comparison of Accounts Payable Claims Paid by Month Fiscal Years 2012 through 2017



### Public Service Announcement

For the veteran members of this committee it goes without saying, but newly elected or appointed members should be aware that May is International Internal Audit Awareness Month. Some of the local Hallmark stores are already running short of cards for the occasion.



### Auditor's Quarterly Financial Report Overview

An overview of the Auditor's Quarterly Financial Report for the First Quarter of Fiscal 2017 will be the subject of a brief power point presentation. Slides are also included in the agenda packet.



# Auditor's Quarterly Financial Report Overview

FIRST QUARTER FISCAL YEAR 2017  
FISCAL YEAR ENDED NOVEMBER 30, 2017

Presented to the Finance and Budget Committee  
April 26, 2017



# Auditor's Quarterly Financial Report

The County Auditor is required to prepare a quarterly report of the financial operations of the County which is presented to the County Board.

In accordance with State Statute, the report summarizes “the entire financial operations of the county including revenues anticipated and received, expenditures estimated and paid, obligations unpaid, the condition of all funds and appropriations and other pertinent information.”



# Countywide Funds



## Countywide Funds

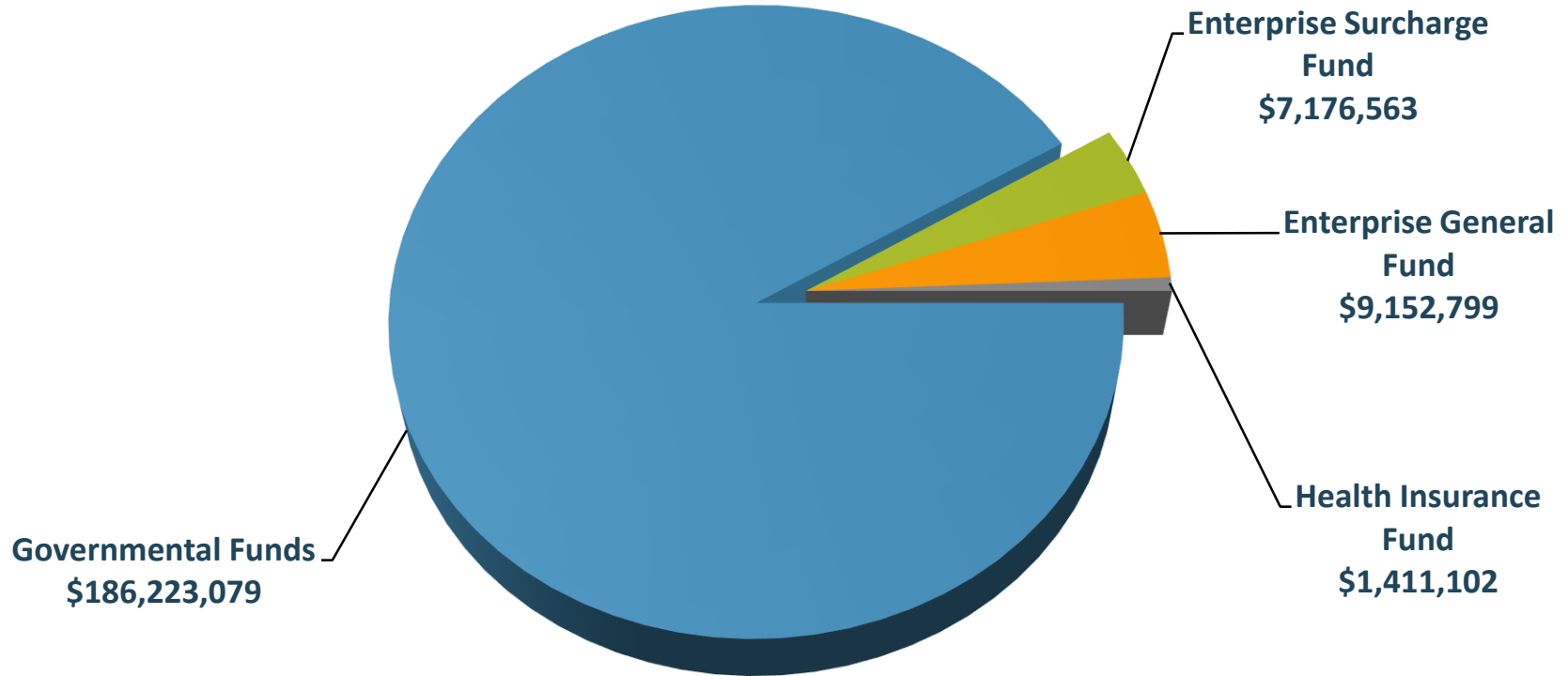
Governmental  
Funds

Proprietary  
Funds

# Countywide Funds (as of February 28, 2017)

COUNTYWIDE FUNDS	ANNUAL BUDGET	YEAR-TO-DATE
Revenues	\$ 229,561,679	21,249,773
Expenditures & Encumbrances	259,561,679	68,978,989
Excess/(Deficiency) Revenues over Expenditures	(30,000,000)	(47,729,216)
Other Financing & Net Transfers In/(Out)	30,000,000	0
Less: Encumbrances Included Above		16,965,950
Net Change in Countywide Funds Balance		(30,763,266)
Countywide Funds Balance, Beginning of Year		234,726,809
Countywide Funds Balance, End of Quarter	\$	203,963,543

# Countywide Funds



# Governmental Funds



## Governmental Funds

General  
Fund

Special Revenue  
Funds

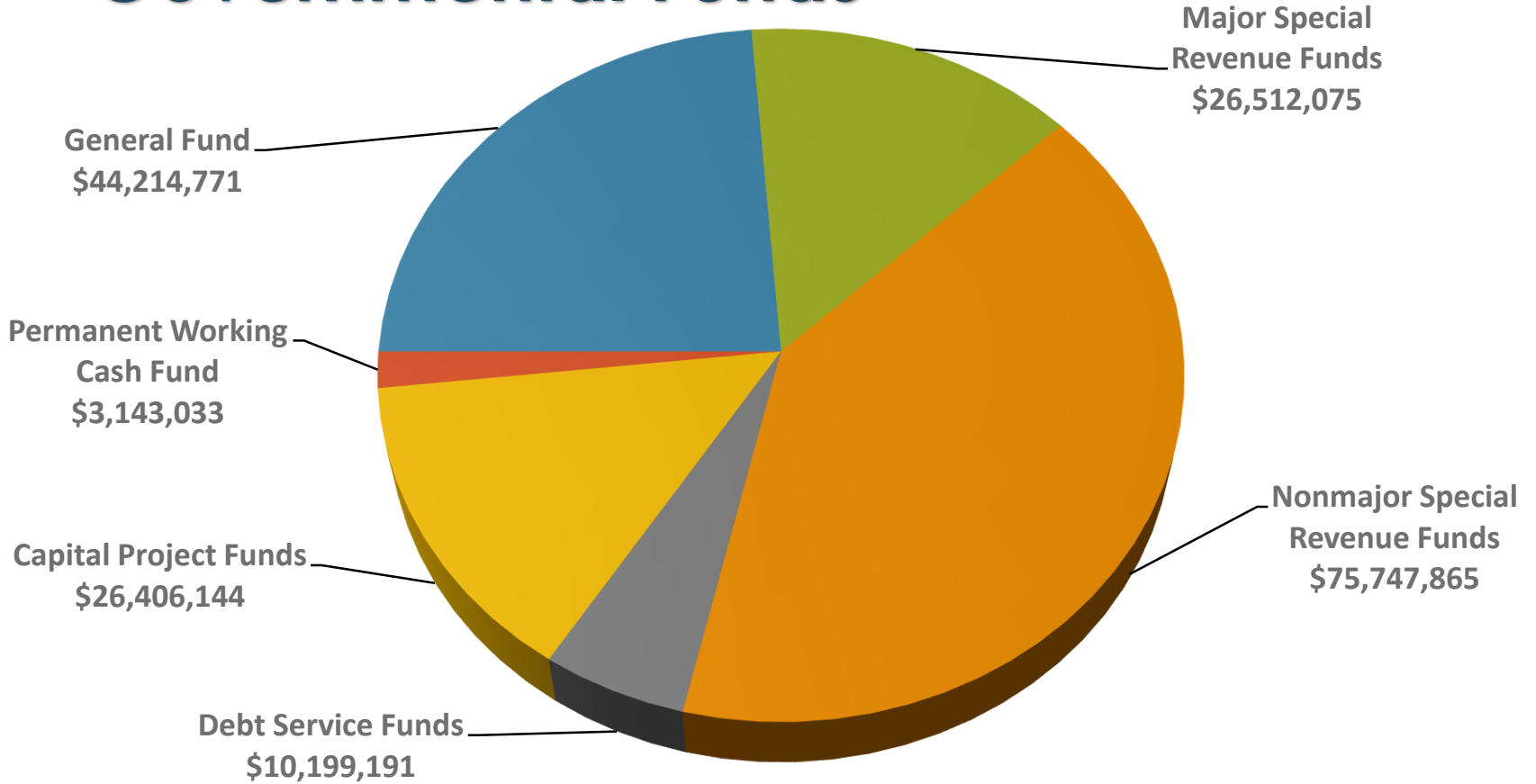
Permanent  
Working Cash  
Fund



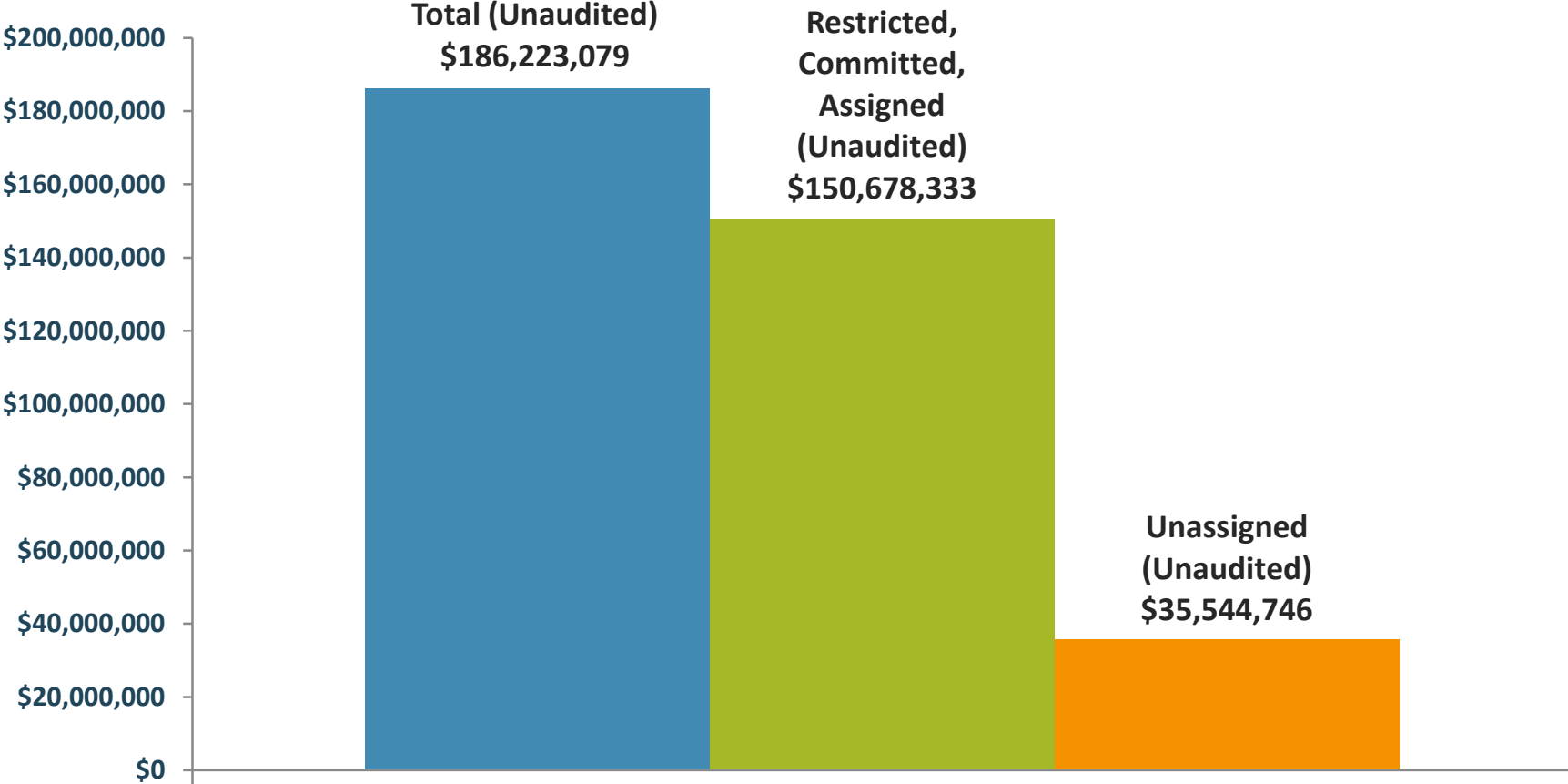
# Governmental Funds (as of February 28, 2017)

<b>GOVERNMENTAL FUNDS</b>	<b>ANNUAL BUDGET</b>	<b>YEAR-TO-DATE</b>
<b>Revenues</b>	\$ 206,042,034	<b>17,932,072</b>
<b>Expenditures &amp; Encumbrances</b>	236,022,077	<b>63,412,682</b>
<b>Excess/(Deficiency) Revenues over Expenditures</b>	(29,980,043)	<b>(45,480,610)</b>
<b>Other Financing &amp; Net Transfers In/(Out)</b>	29,980,043	<b>(19,957)</b>
<b>Less: Encumbrances Included Above</b>		<b>16,585,832</b>
<b>Net Change in Governmental Funds Balance</b>		<b>(28,614,735)</b>
<b>Governmental Funds Balance, Beginning of Year</b>		<b>214,837,814</b>
<b>Governmental Funds Balance, End of Quarter</b>	\$	<b>186,223,079</b>

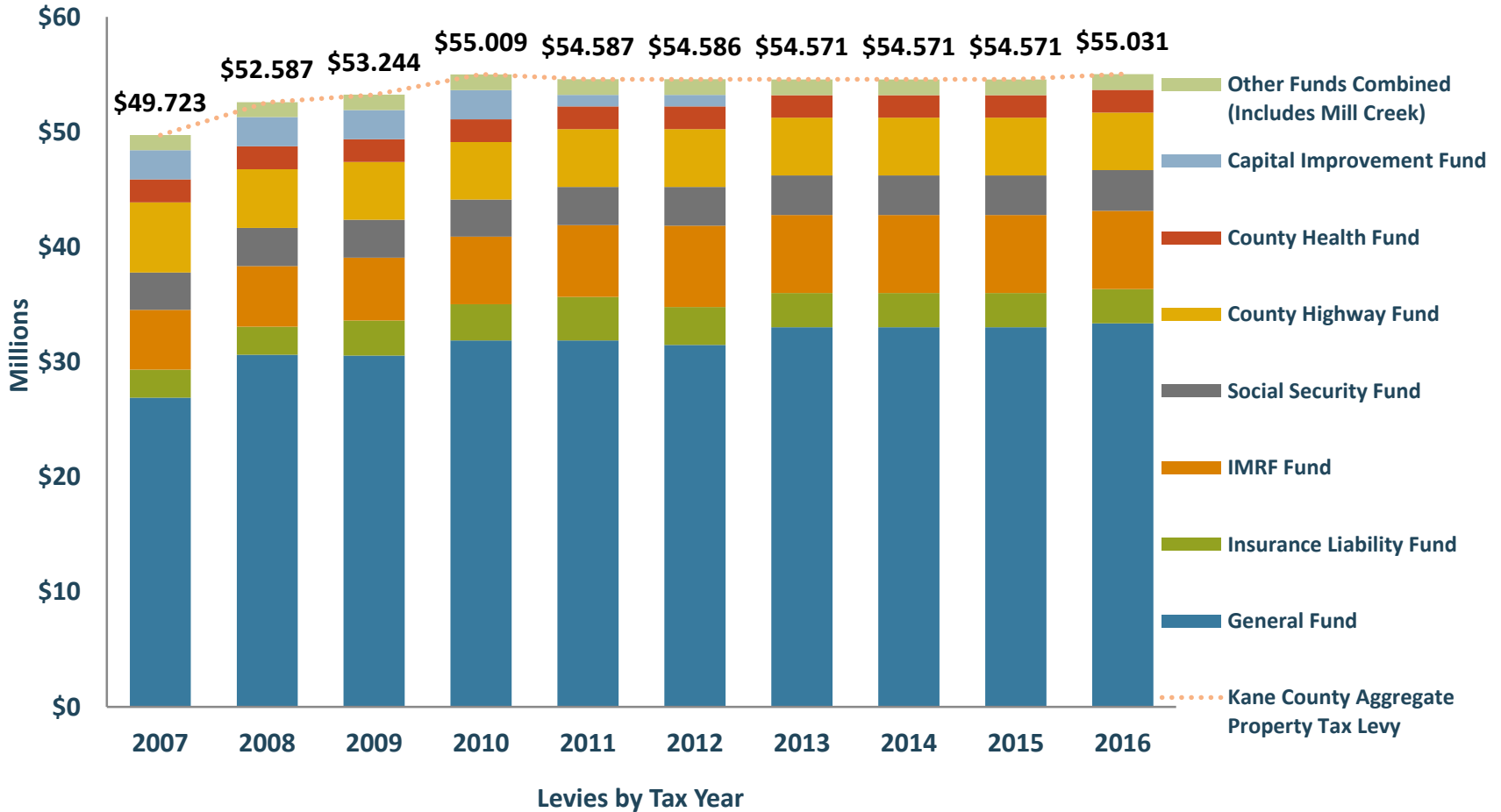
# Governmental Funds



# Governmental Funds (as of February 28, 2017)



# Governmental Funds



# General Fund



## General Fund

General Fund

Special Reserve

Emergency Reserve

PP Tax Freeze

SAO Domestic Violence

Environmental Prosecution

Economic Development

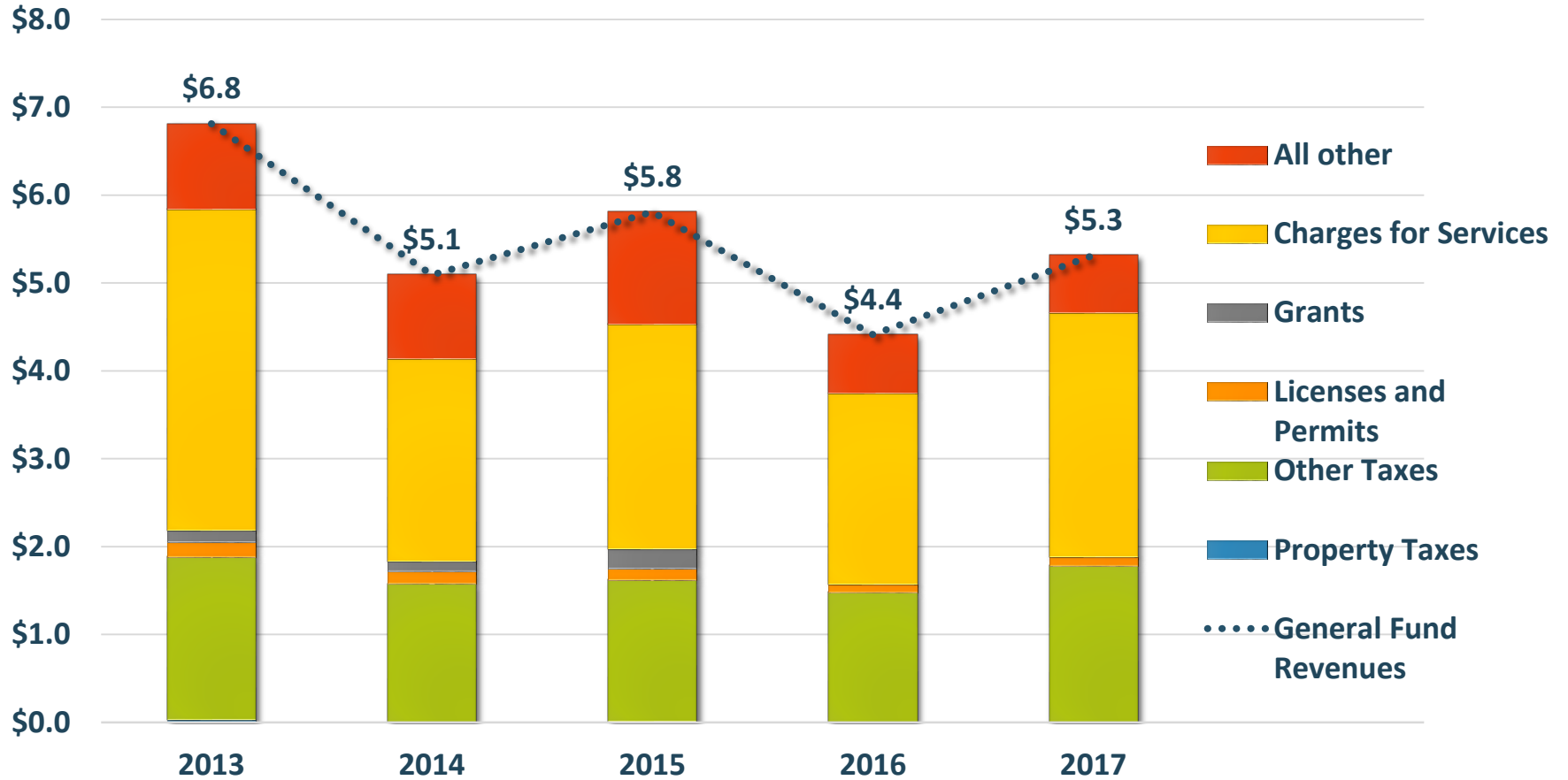
Cost Share Drainage

Public Building Commission

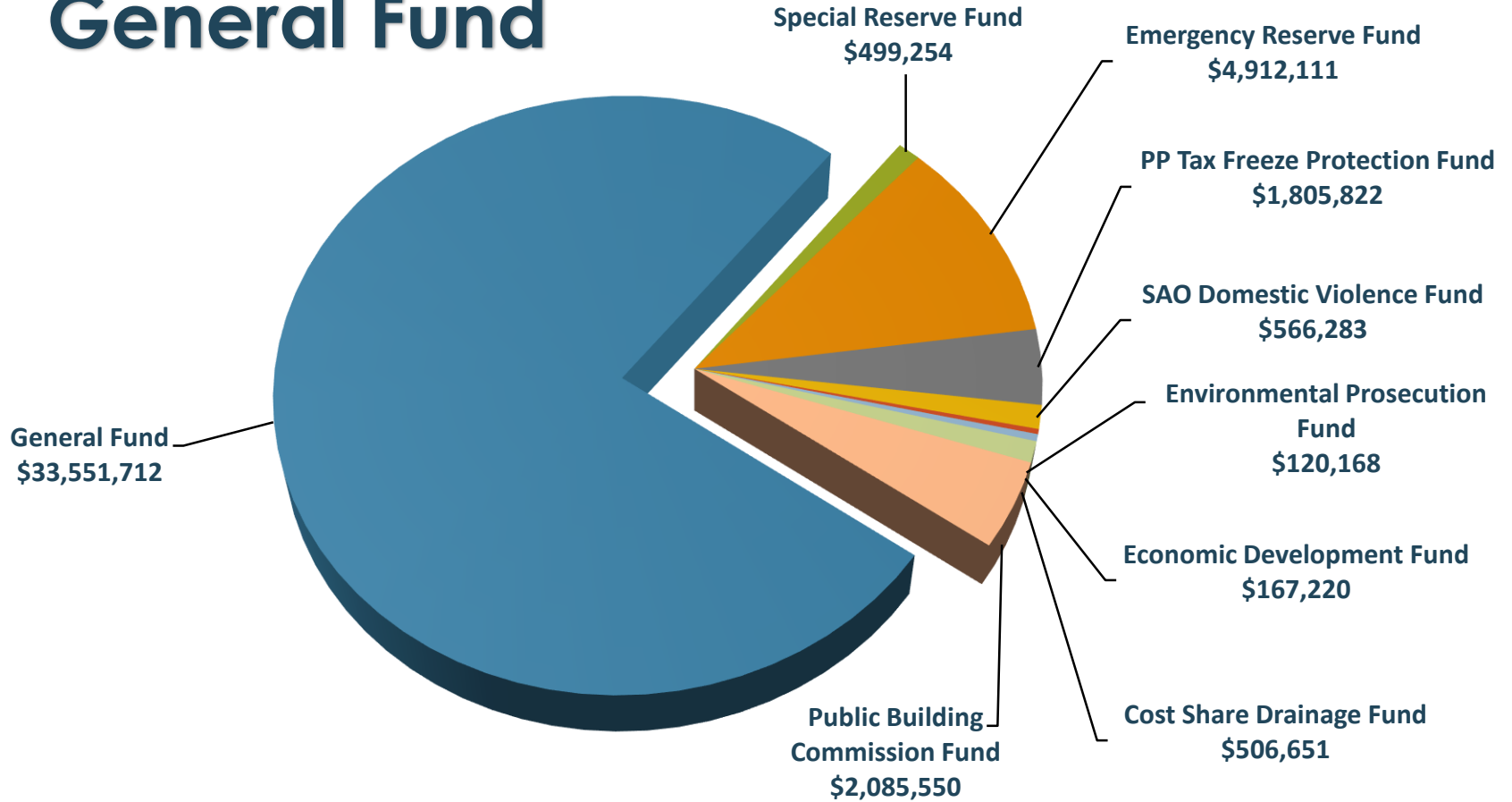
# General Fund (as of February 28, 2017)

GENERAL FUND	ANNUAL BUDGET	YEAR-TO-DATE
Revenues	\$ 85,102,616	5,316,711
Expenditures & Encumbrances	81,702,552	19,703,117
Excess/(Deficiency) Revenues over Expenditures	3,400,064	(14,386,406)
Other Financing & Net Transfers In/(Out)	(3,400,064)	(3,975,071)
Less: Encumbrances Included Above		637,943
Net Change in General Fund Balance		(17,723,534)
General Fund Balance, Beginning of Year		61,938,304
General Fund Balance, End of Quarter	\$	44,214,771

# General Fund Revenues - First Quarter



# General Fund





# General Obligation Bonds



Outstanding Bonds

Series 2004  
GO Refunding

Series 2010  
GO Alt Revenue

Series 2013  
GO Refunding

# Bonds Outstanding – Issued Fiscal Year 2004

In 2004 the County issued \$26,785,000 of General Obligation Bonds – Series 2004 for the purpose of refunding various debt instruments.

These bonds were used to refund previously issued bonds, including those used to finance the construction of the Orchard Road project.

Semi-annual interest is paid at 5.25%. This series is scheduled to be retired in fiscal 2021.

# Bonds Outstanding – Issued Fiscal Year 2011

In December 2010 the County issued an additional \$7,670,000 in “Build America Bonds” as authorized under the American Recovery and Reinvestment Act of 2009. The act provides for a Federal subsidy through a refundable tax credit to be paid to the County equal to 45% of the total interest paid to investors.

These bonds were designated as Recovery Zone Economic Development Bonds. Principal and interest payments come from the Recovery Zone Bond Debt Service Fund.

Semi-annual interest is paid at rates ranging from 1.15% to 6.55%. This series is scheduled to be fully retired in 2031.

# Bonds Outstanding – Issued Fiscal Year 2013

In April 2013 the County issued \$27,225,000 of General Obligation Bonds – Series 2013 for the purpose of refunding various debt instruments which carried higher interest rates to reduce the overall interest expense to the County.

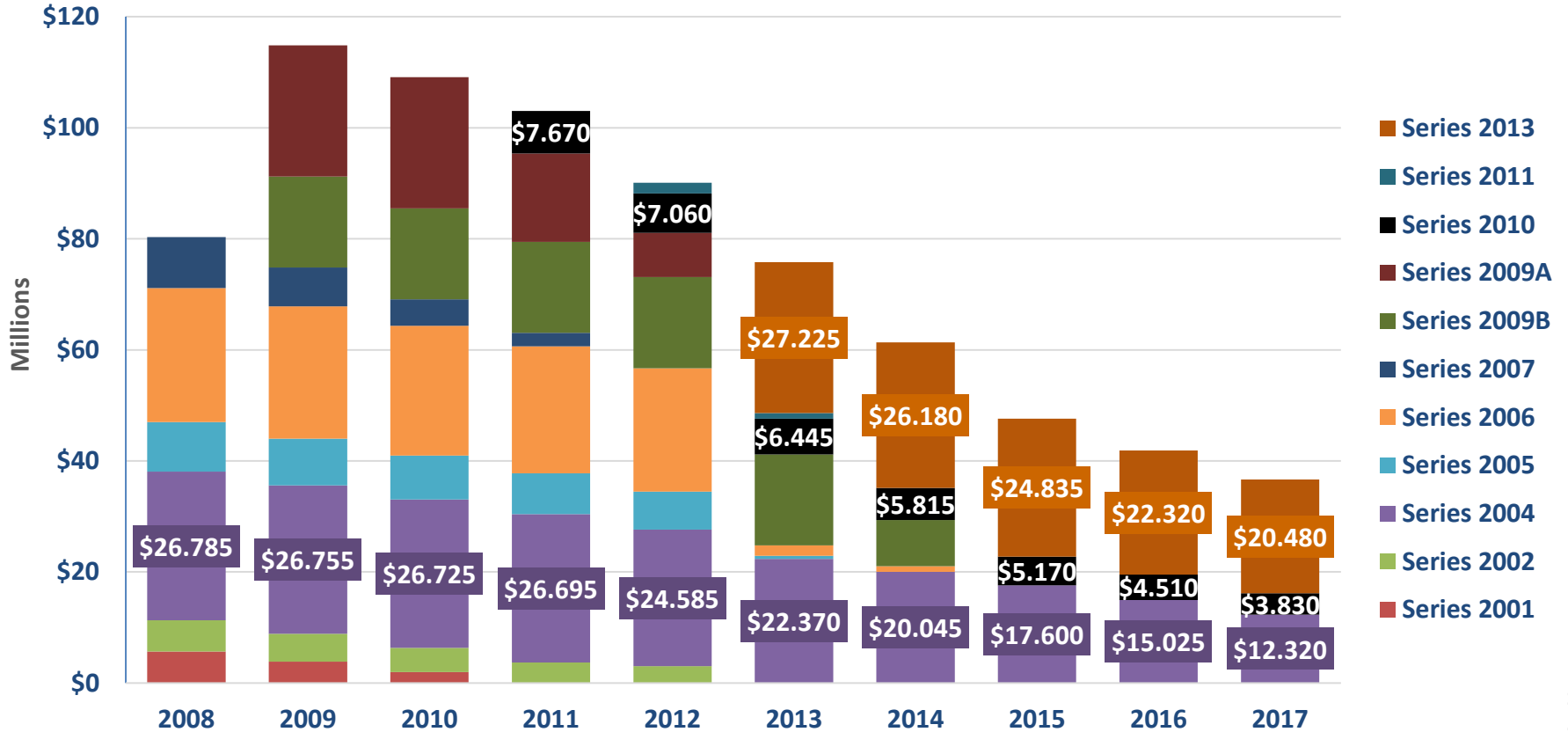
The remaining principal balance of approximately \$2,320,000 in Series 2002 G.O. Bonds was fully refunded.

Additionally, partial refunding of approximately \$5,795,000 in Series 2005 Debt Certificates, and \$19,620,000 in Series 2006 Debt Certificates was made through the Series 2013 issue.

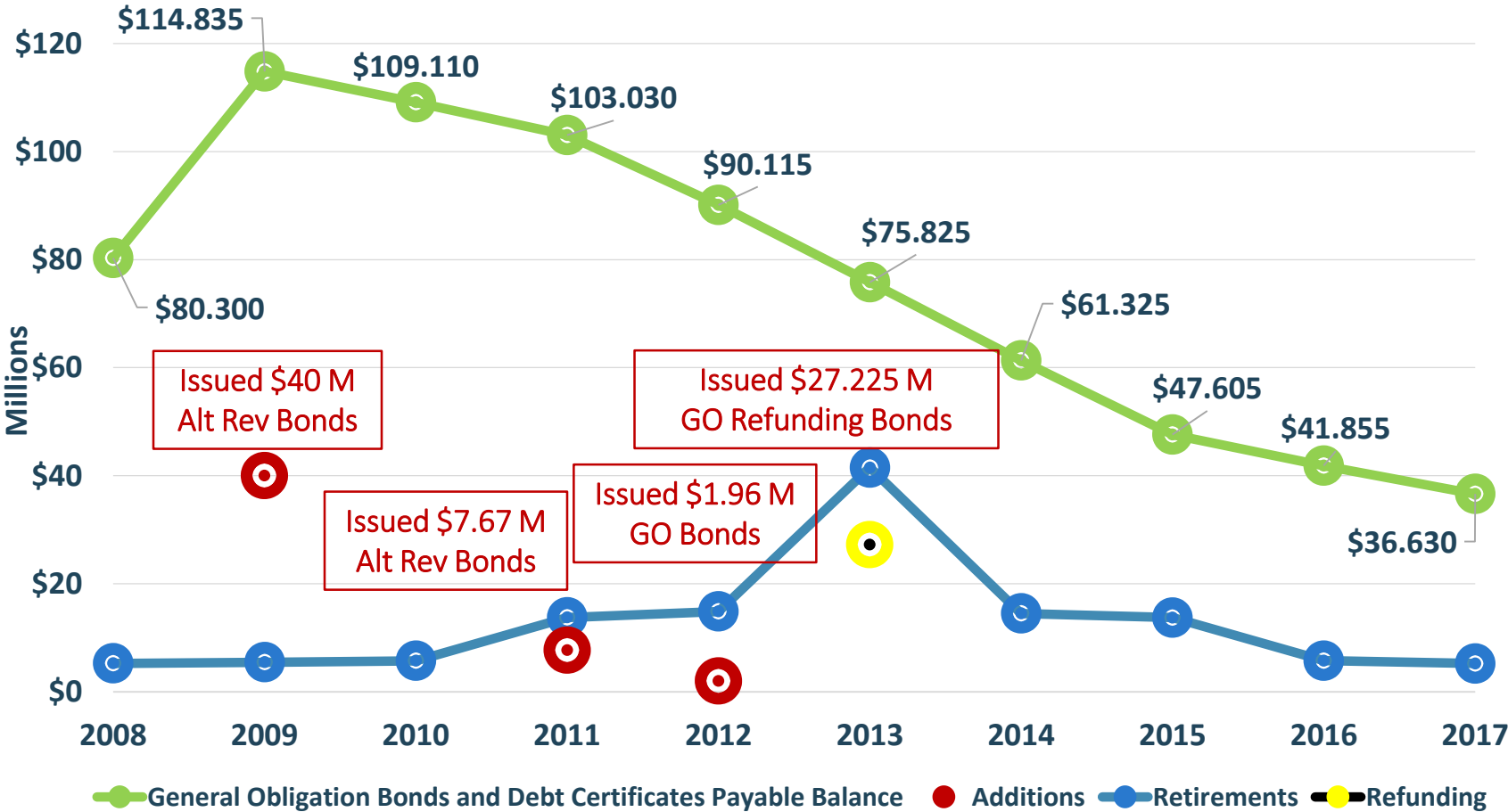
Interest between 2.00% and 3.00% is paid on a semi-annual basis. This series is scheduled to be fully retired in 2024.

# General Obligation Bonds & Debt Certificates Payable

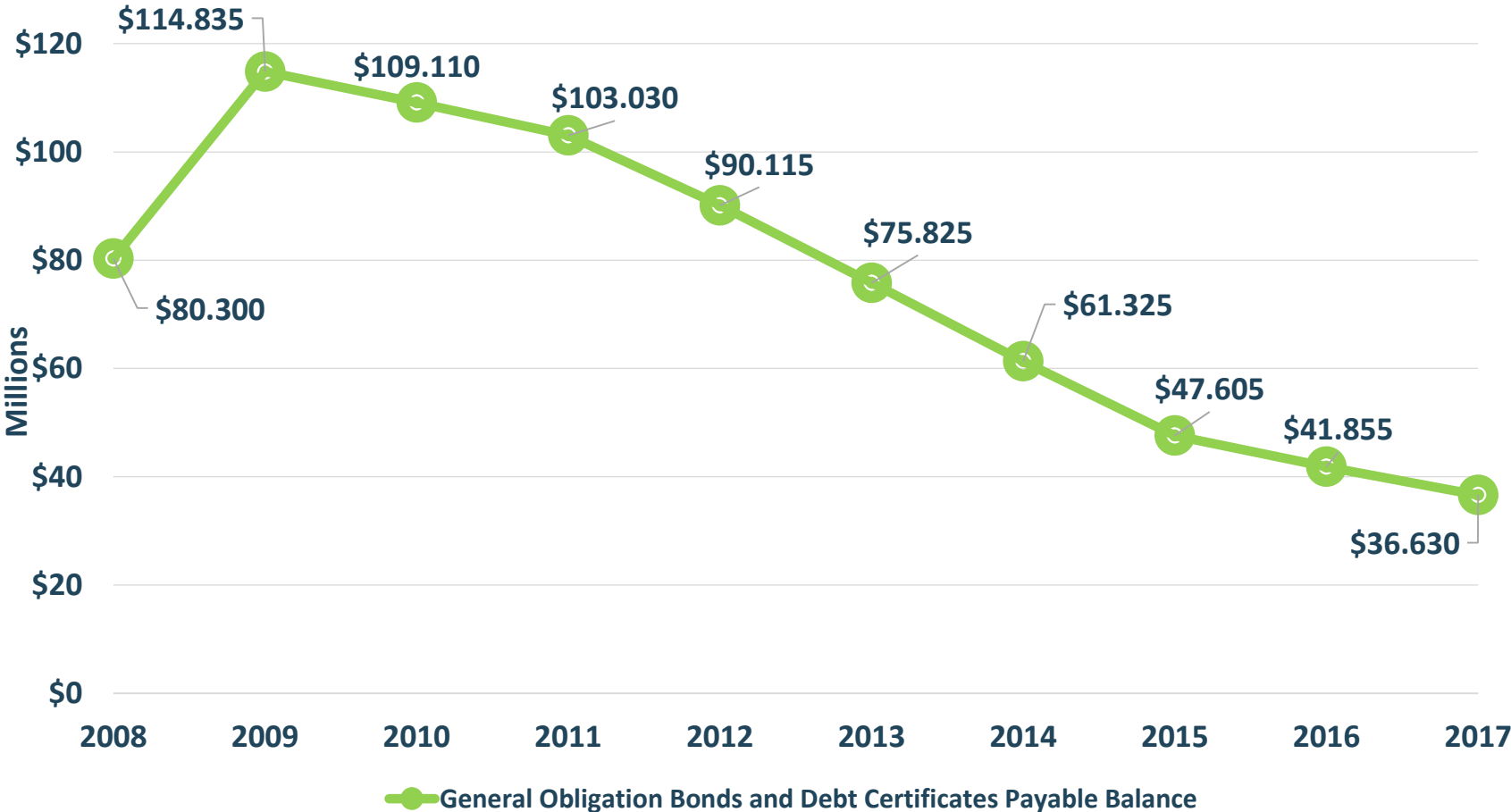
## Ten Year History of Outstanding Indebtedness at Year End



# General Obligation Bonds & Debt Certificates Payable



# General Obligation Bonds & Debt Certificates Payable



**KANE COUNTY BOND AND DEBT CERTIFICATE ACTIVITY FOR FISCAL YEARS 2008 - 2017**

**FISCAL YEAR ACTIVITY (\$ MILLIONS)**

Debt Retirements		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Series 2001 - MFT Alt Revenue Bonds</b>	\$	5.650	3.845	1.970							
	Additions										
	Retirements	1.715	1.805	1.875	1.970						
<b>Series 2002 - GO Refunding Bonds</b>		5.630	5.010	4.375	3.715	3.030					
	Additions										
	Retirements	0.600	0.620	0.635	0.660	0.685	3.030				
<b>Series 2004 - GO Refunding Bonds</b>		26.785	26.755	26.725	26.695	24.585	22.370	20.045	17.600	15.025	12.320
	Additions										
	Retirements	0.300	0.030	0.030	0.030	2.110	2.215	2.325	2.445	2.575	2.705
<b>Series 2005 - Debt Certificates</b>		8.945	8.420	7.895	7.370	6.845	0.525				
	Additions										
	Retirements	0.525	0.525	0.525	0.525	0.525	6.320	0.525			
<b>Series 2006 - Debt Certificates</b>		24.110	23.795	23.385	22.870	22.240	1.875	1.005			
	Additions										
	Retirements	0.220	0.315	0.410	0.515	0.630	20.365	0.870	1.005		
<b>Series 2007 - GO Bonds</b>		9.180	7.010	4.760	2.425						
	Additions										
	Retirements	2.165	2.170	2.250	2.335	2.425					
<b>Series 2009A - GO Alt Revenue Bonds</b>			23.600	23.600	15.885	7.995					
	Additions		23.600								
	Retirements			0.000	7.715	7.890	7.995				
<b>Series 2009B - GO Alt Revenue Bonds</b>			16.400	16.400	16.400	16.400	16.400	8.280			
	Additions		16.400								
	Retirements							8.120	8.280		
<b>Series 2010 - GO Alt Revenue Bonds</b>					7.670	7.060	6.445	5.815	5.170	4.510	3.830
	Additions				7.670						
	Retirements					0.610	0.615	0.630	0.645	0.660	0.680
<b>Series 2011 - GO Bonds</b>						1.960	0.985				
	Additions					1.960					
	Retirements						0.975	0.985			
<b>Series 2013 - GO Refunding Bonds</b>							27.225	26.180	24.835	22.320	20.480
	Additions						27.225				
	Retirements							1.045	1.345	2.515	1.840
<b>BEGINNING DEBT</b>	\$	85.555	80.300	114.835	109.110	103.030	90.115	75.825	61.325	47.605	41.855
<b>TOTAL ADDITIONS</b>	\$	0.000	40.000	0.000	7.670	1.960	27.225	0.000	0.000	0.000	0.000
<b>TOTAL RETIREMENTS</b>	\$	5.525	5.465	5.725	13.750	14.875	41.515	14.500	13.720	5.750	5.225
<b>ENDING DEBT</b>	\$	80.300	114.835	109.110	103.030	90.115	75.825	61.325	47.605	41.855	36.630
<b>CUMULATIVE NET DEBT RETIREMENT SINCE 2012</b>	\$						14.290	28.790	42.510	48.260	53.485