

PROPOSED PLAN FOR COMBINING THE OFFICES OF MCHENRY COUNTY AUDITOR & MCHENRY COUNTY TREASURER

The upcoming retirement of the current Treasurer, decrease in workload, and budget concerns has caused the Board of County Commissioners for McHenry County to analyze the functions of the Treasurer's office and examine the benefits of consolidating it with the Auditor's office. Statutory authority for consolidation is found in Chapter 11-10.2 of the North Dakota Century Code ("N.D.C.C").

I. ANALYSIS OF THE OFFICE OF COUNTY AUDITOR

The Auditor is elected for a term of four years and takes office the first Monday of April succeeding election. N.D.C.C. § 11-13-01. The position of Auditor covers a wide spectrum of duties and responsibilities enumerated throughout the N.D.C.C. but primarily in Chapter 11-13. The following duties and responsibilities are representative of those entrusted to the Auditor.

The Auditor is the chief financial officer of the county, responsible for keeping complete and detailed records of all financial transactions of the county, including preparation of the county budget, monthly business transactions, preparation of financial statements, and management of claims against the county.

The Auditor is responsible for the calculation of mill levies for all taxing districts, preparation of tax lists, maintenance of outstanding lists, administering tax title actions, and conducting tax sales.

The Auditor serves as a clerk to the Board of County Commissioners and several related boards and committees.

The Auditor is the elections administrator for the county, responsible for all phases of federal, state, and local elections.

A. EXISTING ORGANIZATION OF THE OFFICE OF COUNTY AUDITOR

The existing organization of the Auditor's office includes the following positions and primary duties:

AUDITOR: Incumbent is responsible for providing complex and senior level direction to the Auditor's office. Incumbent plans, directs, coordinates, and manages all activities related to the assigned county department or function including the development of programs critical to the county's ongoing operation. Auditor administers county policies, manages county finances, monitoring expenses and payments; county budget preparation; takes minutes for County Commissioners, Park Board, Planning and Zoning meetings. Auditor is responsible for election administration, property taxes and mill levies, property and liability insurance, and advertising of bids.

DEPUTY AUDITOR: Incumbent performs moderately complex accounting and clerical duties related to keeping and adjusting financial records and accounts following standard accounting practices. Responsibilities may include the following: verifying transactions, entering data for account payables and receivables; processing payments; tracking financial records; monitoring expenses and payments; maintaining an accurate database of county fixed assets; reconciling accounts; preparing, reviewing, and submitting routine statements and reports; maintaining department accounting records and databases; and responding to a variety of inquiries about financial information.

DEPUTY AUDITOR: Incumbent performs moderately complex accounting and clerical duties related to keeping and adjusting financial records of accounts following standard accounting practices. Responsibilities may include the following: processing payroll, insurance and taxes; tax foreclosure proceedings; orientation of new employees; verifying transactions reconciling accounts; verifying parcel data information and update parcel ownership, and responding to a variety of inquiries about financial information; and maintaining files and documents.

B. FUNCTIONS AND PROCEDURES OF THE OFFICE OF COUNTY AUDITOR

The office of Auditor has several primary functions performed by no other department or agency. They include property tax levy calculations, county-wide elections, county budget preparation, financial management and recordkeeping. Secondary functions of the office include serving as clerk to several boards and commissions, serving as a central management department, managing service contracts with other entities, and carrying out the directives of the Board of County Commissioners.

An assortment of time-tested procedures have been established for providing governmental services in the Auditor's office and are divided among the Auditor and Deputy Auditors. The county provides office space and equipment, including various computers and programs, as well as training to improve efficiency and competency.

II. ANALYSIS OF THE OFFICE OF COUNTY TREASURER

The Treasurer is elected for a term of four years and takes office the first Monday of May succeeding election. N.D.C.C. § 11-14-02. The duties and responsibilities entrusted to the Treasurer are enumerated primarily in N.D.C.C. Chapter 11-14. The Treasurer is the chief collection officer for county revenue and is responsible for keeping accurate accounts of all receipts and expenditures for tax monies and other revenue that come into the Treasurer's hands. The Treasurer prepares a regular statement of receipts and disbursements and files a copy with the Auditor together with all receipts issued. Investments of county funds and payment of county obligations are also responsibilities of the Treasurer, including keeping accounting records of the same. Funds collected on behalf of political subdivisions are apportioned by the Treasurer for remittance to the appropriate political subdivisions.

A. EXISTING ORGANIZATION OF THE OFFICE OF COUNTY TREASURER

The existing organization of the Treasurer's office includes the following positions and primary duties:

TREASURER: Incumbent is responsible for overall collection and disbursement of revenues, and reporting. Responsibilities may include ensuring revenues collected are deposited and that funds are expended proficiently, investing county funds, and overseeing activities such as banking, budgeting, and treasury management to ensure they are in compliance with internal control policies, guidelines, and procedures. Treasurer prepares, balances, and makes daily bank deposits; reconciles periodic statements of the County's bank accounts; mails annual tax statements; processes tax payments; responds to inquiries about financial information; and maintains files and documents; performs cashier duties.

DEPUTY TREASURER: Incumbent assists the Treasurer by performing a variety of standard accounting and clerical duties, follow established procedures and ensure data accuracy. Responsibilities may include: entering data for accounts receivables and tax collections, preparing, balancing, and making daily bank deposits; reconciling periodic statements of the County's bank accounts; processing tax payments; providing information and explanation to clients and the public; responding to inquiries about financial information; and maintaining files and documents; performing cashier duties.

B. FUNCTIONS AND PROCEDURES OF THE OFFICE OF COUNTY TREASURER

The office of Treasurer has several primary functions including collection of taxes, issuing receipts, apportioning collections, serving as custodian of funds and monitoring county investments. Secondary functions include counter service to the public and providing tax related information to banking institutions, real estate agents, and others involved in real property activities.

An assortment of time-tested procedures have been established for providing governmental services in the Treasurer's office and are divided among the Treasurer and Deputy Treasurer. The county provides office space and equipment, including various computers and programs, as well as training to improve efficiency and competency.

III. THE PLAN

The offices of McHenry County Auditor and McHenry County Treasurer will be combined upon retirement of the current County Treasurer or the expiration of the term, whichever comes first, and will involve the following changes:

1. The office of Treasurer will be combined with Auditor and all statutory duties assigned to the Auditor.
2. Overall management and supervisory responsibility of the combined office will be assigned to the Auditor.
3. The consolidated office will consist of a Treasurer Division and an Auditor Division. The Treasurer Division will be headed by the Auditor or a designee dedicated to those duties typically associated with the Treasurer's office including daily balancing, tax billing and collection, investments, and bank reconciliations. The Auditor Division will be headed by the Auditor or a designee who will oversee and have supervisory responsibility for all accounting, finance and taxation functions including annual budget preparation, tax and mill levy calculations, preparation of periodic financial statements, payroll related reporting, secretary of the Board of Commissioners, elections, HR functions, bid advertisements, public notices, and delinquent tax proceedings. The above division of responsibilities will ensure that controls exist to provide for checks and balances and proper recording and reporting of county financial transactions.
4. The term of office for the Treasurer will be changed to that of the Auditor, to wit, the first Monday in April next succeeding the Auditor's election.
5. The Combined office of Auditor/Treasurer will remain an elective office.
6. The qualified electors of McHenry County will retain the right of referral of this Plan as set forth in N.D.C.C. §11-10.2-02(1).

A. PROPOSED AUDITOR/TREASURER OFFICE ORGANIZATION

The combination of these two functionally-related offices is intended to increase efficiency and decrease costs for performing the functions and providing the services required by law of both offices, without reducing the quality of either office. Current personnel in the Auditor's office are familiar with the duties of the Treasurer, as these offices work so closely together. The position of County Treasurer will not be filled, reducing the combined staffing level from five employees to four. The Auditor will assume all statutory duties of the Treasurer. The Board of County Commissioners will continue to provide necessary staff, office space and equipment necessary to perform without diminution the functions required of both offices.

B. EFFECTIVENESS AND EFFICIENCY

The effectiveness of the combined offices will be improved through centralized management and oversight. The duties assigned to both offices will be carried out in a manner consistent with law but without the duplication of reporting and various paperwork requirements for each office independently.

The efficiency of the combined offices will be improved in several respects.

1. Centralized and consolidated management will ensure consistent policies and procedures among the two primary finance offices for McHenry County government.
2. Cross-training of personnel will ensure a higher level of service to the system of checks and balances for handling the county's accounts.
3. Cross-utilization of staff will allow for peak busy seasons to be shared between a pool of employees.
4. Eliminate unnecessary duplication between the two bookkeeping departments of the county.
5. A reduction in cost is expected to be realized with a reduction in personnel staffing.
6. By retaining this combined office as an elective position, the people of McHenry County are assured their customary safeguard of a ballot to ensure effective and efficient service to the public.