



County Clerk's Office Distribution Update

**Finance & Administrative
Committee**

County Clerk Anthony Vega | August 3, 2023

Redemption Process

- Delinquent property taxes are sold at a tax sale (end of Nov/start of Dec)
- If no one bids on a property, Lake County, as trustee for the taxing districts, becomes the default tax buyer
- County Treasurer turns over responsibility for collection of property taxes to the County Clerk
- Property owner has a timeframe to redeem the taxes (redemption period)
 - Residential properties of 1-6 units has a min period of redemption of 2 ½ years
 - All other properties have a redemption period of a minimum of 2 years
 - The tax buyer can, at their discretion, extend the final date to redeem up to a maximum of 3 years
- If redemption is not satisfied, tax buyer obtains deed to the property.
 - The Circuit Court reviews the evidence and must be satisfied that the tax buyer has fulfilled all statutory obligations and the period of redemption has expired
 - The Court orders the County Clerk to issue a Tax Deed, transferring ownership of the property to the tax buyer.
 - Same procedure takes place if Lake County, as trustee, is the tax buyer.

Greenbook Process

- County-owned parcels available for sale
- Each property is listed with a minimum recommended bid, based on assessed value
- County Clerk issues quit claim deeds transferring property

FY19 to FY22

- County Clerk continued to redeem properties taxes
- Redemption revenue goes into a custodial County Clerk account before funds are transferred to county general revenue accounts
- County Clerk continued to acquire and sell properties in the Greenbook
- Funds remained in their respective accounts during this time

THE WHY

- Staff turnover in the County Clerk's Tax Department
- Challenges identified with staff training, support, accountability and oversight

Monthly Fee Reports

- County Clerk submits a monthly revenue report to County Board for approval
- Monthly revenue reports for the majority of the last 3 years and up to including the recently County Board approved reports have erroneous information
- Data under current month and YTD columns are accurate
- Data under “prior fiscal year” is inaccurate.
 - Data in that column corresponds to actual FY18 revenue
- This was identified because of two reasons:
 - Board Member inquiry
 - Prior fiscal year had redemption revenue recorded when no redemption revenue had been transferred from the Clerk custodial account to general fund revenue accounts

Moving Forward



- **Redemption and Greenbook Distributions**
 - Payments have been scheduled and will be completed through August
 - Calculate and complete FY23 distributions by end of November
 - FY24 and beyond we will conduct monthly distributions
- **Revenue Monthly Reporting**
 - Staff Training
 - Automation of internal procedures
 - Customizable BOSS report requested



Questions?