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**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

Union County Government  
309 West Market Street  
Jonesboro, IL 62952

Dear Board Members,

We have performed the procedures enumerated below, which were agreed to by Union County Government, solely to assist you with respect to the cost of collecting (1) one redemption fee, the cost of filing (1) one recording document, and the cost of producing (1) vital records certificate in the Union County Clerk's office. Union County Government's management is responsible for the entity's accounting records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and in compliance with OMB Circular A-87. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

**PROCEDURES AND FINDINGS:**

**Procedure:**

We requested the employees involved in the County Clerk Tax Redemption Office and the County Clerk Recording and Vital Records Service Divisions collect data indentifying their time spent on providing tax redemption services, recording services and vital records services.

**Finding:**

The County Clerk employees involved in the tax redemption, recording, and vital records services provided us with the requested information concerning the time spent on the tax redemption, recording, and vital records services.

**Procedure:**

We reviewed and analyzed the data collected regarding the tax redemption, recording and vital records services.

**Finding:**

The review and analysis of the data collected produced a cost per redemption document, recording document, and vital records document.

**Procedure:**

We reviewed the applicable state statutes that disclose allowable fees for the County Clerk's Tax Redemption Office and County Clerk Service Divisions.

**Finding:**

We found that 55 ILCS 5/4-4001 listed the following:

- \$3 per tax redemption as the allowable charge unless a cost study was performed in accordance with OMB Circular A-87 and that study showed a cost of greater than \$3 per document to perform tax redemption services.
- For each official copy of any process, file, record or other instrument of and pertaining to his office, 50¢ for each 100 words, and \$1 additional for certifying and sealing the same.
- For issuing each marriage license, the certificate thereof, and for recording the same, including the recording of the parent's or guardian's consent where indicated, \$20. \$5 from all marriage license fees shall be remitted by the clerk to the State Treasurer for deposit into the Married Families Domestic Violence Fund.
- The county board of any county of the first or second class may, by ordinance, authorize the county clerk to impose an additional \$2 charge for certified copies of vital records as defined in Section 1 of the Vital Records Act, for the purpose of developing, maintaining, and improving technology in the office of the County Clerk.
- For officially certifying and sealing each copy of any process, file, record or other instrument of and pertaining to his office, \$1.
- For taking and certifying acknowledgments to any instrument, except where herein otherwise provided for, \$1.

**Procedure:**

We obtained and reviewed overhead costs associated with the Tax Redemption Office and Recording and Vital Records services.



**Finding:**

Overhead costs were allocated on the basis of the Tax Redemption Office, Recording Office, and Vital Records Office's square footage to the total square footage of the Courthouse.

**Procedure:**

We inquired as to when the current fees were last reviewed.

**Finding:**

It did not appear that the current tax redemption fees, recording fees, or vital records fees had previously been reviewed with a cost study completed in accordance with OMB Circular A-87.

**Procedure:**

We inquired and observed the number of tax redemptions being recorded annually by the County Clerk's Tax Redemption Office. We also inquired and observed the number of Recording and Vital Records documents being recorded annually by the County Clerk's Office.

**Finding:**

For the year ended November 30, 2008, the County Clerk's Tax Redemption Office recorded 156 real estate tax redemptions. For the year ended November 30, 2009, the County Clerk's Tax Redemption Office recorded 186 real estate tax redemptions.

For the year ended November 30, 2008, the County Clerk's Office recorded 3,161 recording documents and 338 vital records documents. For the year ended November 30, 2009, the County Clerk's Office recorded 2,911 recording documents and 269 vital records documents.

**Procedure:**

We reviewed the payroll information provided for all employees involved with providing tax redemption, recording, and vital records services and inquired as to the allocable time percentage for each.

**Finding:**

Upon review and inquiry, the following table represents the allocation of Office Holder and Employee time spent on the County Clerk's functions:



Percentages of time on County Clerk Functions					
	Recording	Vital	Redemption	Admin	Total
1) County Clerk	5%	5%	5%	85%	100%
2) Employee #1	30%	10%	5%	55%	100%
3) Employee #2	30%	30%	0%	40%	100%
4) Employee #3	100%	0%	0%	0%	100%

**Procedure:**

We requested the cost of the equipment used in the County Clerk's Tax Redemption Office, Recording Office, and Vital Records Office.

**Finding:**

We were able to obtain the cost of the equipment used in the County Clerk's Tax Redemption Office, Recording Office, and Vital Records Office.

**Procedure:**

We requested the fringe benefit costs of all employees providing tax redemption, recording, and vital records services.

**Finding:**

We were able to obtain the fringe benefit costs of all employees providing tax redemption, recording, and vital records services.

**Procedure:**

We requested that the employees providing tax redemption services provide us with the cost of material used specifically for tax redemption. We also requested that the employees providing recording and vital records services provide us with the cost of material used specifically for those services.

**Finding:**

We were able to obtain the cost of material used specifically for tax redemption, recording, and vital records services.

**Procedure:**

We inquired of County Clerks' Offices in the immediate vicinity about their respective fees for similar tax redemption, recording and vital records services.

**Finding:**

We found that the fees for similar tax redemption services ranged from \$3 to \$60. The fees for similar recording services ranged from \$31.50 to \$59.50. The fees for similar vital records services ranged from \$4 to \$30.



**Procedure:**

We reviewed all information supplied the by the County Clerk's Office in order to determine the cost of recording (1) tax redemption, the cost of filing (1) recording document, and the cost of producing (1) vital records certificate.

**Findings:**

After review of all information supplied by the County Clerk's Tax Redemption Office, it appears that the County Clerk currently charges a base fee of \$3.00 per tax redemption. The calculated cost of the County Clerk collecting and processing (1) tax redemption is \$65.21 per redemption. This represents a difference of \$62.21 per tax redemption of cost over the current fee of \$3.00. The average number of redemptions collected for the years examined was 171 redemptions per year. The \$62.21 increase per redemption would total \$10,638.43 of increased fees based on the average number of redemptions collected per year.

According to the review of information from the County Clerk's Recording Office, it appears that the County Clerk currently charges a base fee of \$11.50 per document for a document that is 1-4 pages in length. The fees for GIS and Recording and Microfilm are not included in this base recording fee. The calculated cost of the County Clerk filing a document of 1-4 pages is \$36.37 per document. This represents a difference of \$24.87 per document of cost. The average number of documents recorded for the years examined was 3,036 documents per year. The \$24.87 increase per recorded document would total \$75,496.70 of increased fees based on the average number of documents filed per year.

After reviewing all the information supplied by the County Clerk's Vital Records Office, it appears that the County Clerk currently charges and base fee of \$4 per death certificate and \$5 per death and marriage certificates. The calculated cost of the County Clerk producing a certificate is \$90.64 per certificate. This represents a difference of \$85.64 per birth certificate, \$86.64 per death and marriage certificates. The average number of certificates issued for the years examined was 140 death certificates and 160 marriage certificates per year. As the Union County Clerk's office has only recorded one (1) birth certificate in the last two years, the increase resulting from increasing the birth certificate charge is nominal. The \$86.64 increase per issued death and marriage certificate would total \$25,833.36 of increased fees based on the average number of death and marriage certificates issued each year.

**Procedure:**

We completed the requested cost study in accordance with OMB Circular A-87. More specifically, we:

- 1) We examined the current fee structure for the tax redemption, recording, and vital records offices.



- 2) We contacted ten bordering and/or surrounding counties and requested tax redemption, recording, and vital records fee information.
- 3) We requested and received the number of redemptions filed, the number of recording documents filed, and the number of vital records certificates produced during the fiscal years ended November 30, 2008 and 2009 from the Union County Clerk. We also requested and received the number of redemptions filed, the number of recording documents filed, and the number of vital records certificates produced for the time period December 1, 2009 through April 30, 2010.
- 4) We reviewed 55 ILCS 5/4-4001 for the statutory provisions of adjusting fees with an acceptable cost study.
- 5) We reviewed OMB Circular A-87 for the guidelines of an acceptable cost study.
- 6) We reviewed other documentation obtained from outside sources concerning fees based on price and/or cost.
- 7) We requested and received information on the total square footage of the courthouse building from the Union County Clerk.
- 8) Based on information we received, we documented the square footage of the tax redemption, recording, and vital records offices.
- 9) We requested and received for the fiscal years ended November 30, 2008 and 2009, salary information on the employees in the tax redemption, recording, and vital records offices from the Union County Clerk's office.
- 10) We requested and received information concerning employees' time allocated to tax redemption, recording, and vital records from the Union County Clerk.
- 11) We requested and received, for the fiscal years ended November 30, 2008 and 2009, information regarding postage expense in the tax redemption, recording, and vital records offices.
- 12) We examined general ledger detail for the fiscal years ended November 30, 2008 and 2009 for information regarding office supplies expense in the tax redemption, recording, and vital records offices.



- 13) We requested and received for the fiscal years ended November 30, 2008 and 2009, information regarding the allocation of office supplies and postage for the tax redemption, recording, and vital records offices from Union County Clerk employees.
- 14) Based on the square footage calculation, we computed the allocable amount of depreciation on the building for the tax redemption, recording, and vital records offices.
- 15) We examined an equipment schedule for equipment located in the tax redemption, recording, and vital records offices.
- 16) We requested and received for the fiscal years ended November 30, 2008 and 2009, information regarding the utility and water usage of the courthouse building from the Union County Clerk.
- 17) Based on the square footage calculation, we computed the allocable amount of utility and water usage for the building in the tax redemption, recording, and vital records offices.
- 18) Based on information received for the fiscal years ended November 30, 2008 and 2009, we computed the allocable amount of salaries to the tax redemption, recording, and vital records offices.
- 19) We requested and received for the fiscal years ended November 30, 2008 and 2009, information on premiums for health insurance, IMRF, and other fringe benefits for employees in the tax redemption, recording, and vital records offices from the Union County Clerk.
- 20) Based on information provided by the Union County Clerk, we computed the allocable amount of fringe benefits to the tax redemption, recording, and vital records offices.
- 21) We inquired for the fiscal years ended November 30, 2008 and 2009, as to the source and dollar amount of premiums and payments of Workman's Compensation and Liability Insurance coverage for the County.
- 22) Based on the number of employees employed by the County, we computed the allocable amount of premiums and payments for Workman's Compensation and Liability Insurance coverage for the tax redemption, recording, and vital records offices.



- 23) Based on budgeted expenses to total expenses, we computed the allocable amount of annual audit fees for the tax redemption, recording, and vital records offices.
- 24) Based on information obtained from the Union County Clerk, we computed the allocable amount of fax, telephone and internet expenses to the tax redemption, recording, and vital records offices.
- 25) We requested and received for the fiscal years ended November 30, 2008 and 2009, information from the Union County Treasurer's office regarding the operating expenses of the courthouse building.
- 26) Based on the square footage calculation, we calculated the allocable amount of the courthouse building operating expenses to the tax redemption, recording, and vital records offices.
- 27) We amortized the cost of the Cost Study being performed over two years and allocated a third per year for the tax redemption, recording, and vital records offices.
- 28) Based on information obtained we computed the costs incurred with processing one tax redemption in the tax redemption office, with filing one recording document in the recording office, and with producing one vital records certificate in the vital records office.

**Findings:**

After review of all information supplied by the County Clerk's Tax Redemption Office, it appears that the County Clerk currently charges a base fee of \$3.00 per tax redemption. The calculated cost of the County Clerk collecting and processing (1) tax redemption is \$65.21 per redemption. This represents a difference of \$62.21 per tax redemption of cost over the current fee of \$3.00. The average number of redemptions collected for the years examined was 171 redemptions per year. The \$62.21 increase per redemption would total \$10,637.91 of increased fees based on the average number of 171 tax redemptions filed per year.

According to the review of information from the County Clerk's Recording Office, it appears that the County Clerk currently charges a base fee of \$11.50 per document for a document that is 1-4 pages in length. The fees for GIS and Recording and Microfilm are not included in this base recording fee. The calculated cost of the County Clerk filing a document of 1-4 pages is \$36.37 per document. This represents a difference of \$24.87 per document of cost. The average number of documents recorded for the years examined was 3,036 documents per year. The \$24.87 increase



per recorded document would total \$75,505.32 of increased fees based on the average number of 3,036 documents filed per year.

After reviewing all the information supplied by the County Clerk's Vital Records Office, it appears that the County Clerk currently charges and base fee of \$4 per death certificate, \$5 per death and marriage certificates. The calculated cost of the County Clerk producing a certificate is \$90.64 per certificate. This represents a difference of \$85.64 per birth certificate, \$86.64 per death and marriage certificates. The average number of certificates issued for the years examined was 140 death certificates and 160 marriage certificates per year. As the County Clerk's office has only recorded one birth certificate in the last two years, the increase resulting from increasing the birth certificate charge is nominal. The \$86.64 increase per issued death and marriage certificate would total \$25,948.92 of increased fees based on the average number of 303 death and marriage certificates issued each year.

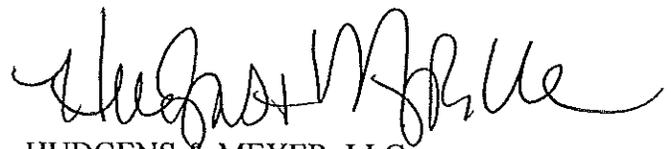
Below is a summary of costs and increases in annual fees for the fee types included in this study:

<u>Fee</u>	<u>Cost Per Document</u>	<u>Current Charge Per Document</u>	<u>Average number of documents per year</u>	<u>Estimated Increase in Annual Fees if adjusted to Cost</u>
Redemption	\$ 65.21	\$ 3.00	171	\$ 10,637.91
Recording	\$ 36.37	\$ 11.50	3,036	\$ 75,505.32
Vital Records	\$ 90.64	\$ 5.00	303	\$ 25,948.92
<u>Total</u>				<u>\$ 112,092.15</u>

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion, on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Union County Clerk and Union County Board Members and is not intended to be and should not be used by anyone other than those specified parties.

Respectfully submitted,



HUDGENS & MEYER, LLC  
 Certified Public Accountants

