

Press Release

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PRESS RELEASE...FOR IMMEDIATE RELEASE

For additional comment, please reach out to Michelle Anderson at this e-mail address or 309-888-5150.

From McLean County Auditor Michelle L. Anderson:

First, let me state unequivocally that there has been no change in accounting policies or systems, as the County Treasurer and Administrator have told the Board.

We have used the same software system since 2010, and used a previous version of their software for years and years before that.

We have also not changed accounting policies. In my 12 years, we have always been always used modified accrual. 1981 is the first year McLean County disclosed an accounting method in their published financials, and, it was modified accrual as well.

The County Treasurer incorrectly stated in an email dated September 12, 2019 that we are on a cash basis. Prior to our 2017 fiscal year, she co-signed our Comprehensive Annual Financial Report (CAFR) that I, *personally*, have prepared annually since 2007. That document clearly states that we use modified accrual. I had been under the impression that Ms. McNeil, the Counties other fiscal officer, understood the difference between accrual and cash basis, I guess that assumption was incorrect. I guess Ms. McNeil does not understand the difference of basic accounting methods, I would be happy to educate Ms. McNeil and her staff.

It should also be noted that the Town of Normal, City of Bloomington and the seven Counties I looked up all also use modified accrual (Peoria, Champaign, Sangamon, Will, DuPage, Adams and Cook).

The Board also adopts the CAFR annually; do any of them read what they approve? If so, they should also know that we are on accrual basis.

If you look back at reports documenting payables and associated general ledger dates, backdating invoices to the correct month (which is all accruing is) is something we have always done, from my predecessor Jackie Dozier to 20 months ago when I was in charge of cutting accounts payable checks. The Board sent the check cutting duties to the Treasurer at the beginning of 2018 and she has refused to process the accruals on the expense side. (Inexplicably, she uses accrual for a number of revenue sources, all while incorrectly insisting we are on a cash basis.)

If the fact that they are paying off liability lines is the issue, again, this is something we have done routinely. Extremely common at year-end to accrue properly. Treasurer's staff has done this many times in 20 months, not sure why it is now an issue.

The States Attorney also questions who has the ability to establish and implement financial systems (see email dated October 2, 2019); however, an Attorney General Opinion (91-011) discusses just that topic. The AG Opinion states that the Auditor is the general accountant and it cannot be delegated to the Treasurer or any other officer. It goes on to state the 'Auditor is given the power to devise a system of financial records'. There has been no change, but, as the general accountant for the County and the individual given the power to implement a system of financial records, I would be within my right to do so.

The Treasurer has also been paying bills not recommended by my office, as statute and AG opinions require; the Treasurer's actions have led to inaccurate financial data. I urge the Board to have her correct her errors and follow our system of accruals. They should also remove payable's from the Treasurer and return them to me if she cannot follow basic accounting principles. I can save at least one position if accounts payable is returned to the Auditor; with tough budget times, I would think cutting one position would help (saving taxpayers over \$53,000 a year with benefits).

The Administrator has believed the Treasurers lies and presented false information to the Board, all without once asking me about the alleged changes or responding to any one of my emails on the topic.

Certain Board members also claim I will not answer their questions, in actuality; it is the other way around. I have sent numerous emails and they have *never* responded. I would love to explain my side of this, but, the Board does not respond and Administration *refuses* to meet with me. I cannot answer questions I am not asked. Board members can reach out to me at any time, I would love the opportunity to explain this to them.

While I agree the Board and Administration are busy with the budget, they need to think of others. This is the best time for the Treasurer to make changes to her office to comply with current fiscal policy, policy they should have been complying with all along. If anyone would meet and discuss this with me, I would have been happy to accommodate their schedule, but they refuse to give me that courtesy. If Administration had talked to me before going to finance, they would see this is a non-issue.

I urge the Board to vote down Ms. Rodriguez and Ms. McNeil's request to hire an accountant to establish accounting guidelines and notify the Treasurer we are on accrual. The request is a complete waste of taxpayer money. Nothing changed. I further urge constituents to reach out to their County Board Members and tell them to stop wasting money and vote no!

Attachments:

Attorney General Opinion 91-011

September 12, 2019 e-mail from Rebecca McNeil

Pages from Town of Normal, City of Bloomington and the seven counties (and McLean)
showing accrual method

3 accounts payable reports showing routine backdating of general ledger dates (accrual)



Press Release.pdf
80kB



AG Opinion 91-011.pdf
878.1kB



McNeil 9.12.19 email.pdf
184.4kB



Others using accrual.pdf
4.3MB



2007 Report showing accruals.pdf
8.8MB



2014 AP Report.pdf
1.2MB



2012 AP Report.pdf
1.4MB