

**GRAFTON TOWNSHIP REGULAR BOARD MEETING
GRAFTON TOWNSHIP, MCHENRY COUNTY, ILLINOIS
MONDAY, June 15, 7:30 P.M.**

1. Supervisor Kearns called the meeting to order at 7:30 P.M.

2. Roll Call

Present: Trustees Holtorf, Wagner, and Zirk; Supervisor Kearns; Road Commissioner Poznanski; Assessor Zielinski; Clerk Hurley. Absent: Trustee Ziller

3. Pledge of Allegiance was said.

4. Approval of Agenda as posted

Motion by Trustee Wagner, second by Trustee Zirk to approve the agenda as posted.

Ayes: Trustees Wagner, Zirk, Holtorf, Supervisor Kearns

Nays: None. Motion Carries.

5. Regular Business

A. Approval of Minutes of May 18, 2015 Township Regular Meeting

Motion by Trustee Wagner, second by Trustee Zirk to approve the minutes of the May 18, 2015 regular meeting.

Ayes: Trustees Wagner, Zirk, Holtorf, Supervisor Kearns

Nays: None. Motion Carries.

B. Audit and payment of unpaid bills/Warrant check detail for Town Fund. **(Exhibit I)**

Motion by Trustee Wagner, second by Trustee Holtorf to approve payment of the unpaid bills for The Township.

Ayes: Trustees Wagner, Holtorf, Zirk, Supervisor Kearns

Nays: None. Motion Carries.

C. Review Road and Bridge Warrant check detail. **(Exhibit II)**

Motion by Trustee Wagner, second by Trustee Holtorf to approve the Road and Bridge Warrant Check detail.

Ayes: Trustees Wagner, Holtorf, Zirk, Supervisor Kearns

Nays: None. Motion Carries.

Trustee Ziller entered the meeting at 7:40 pm.

5. Public Comment/Board Members Response to Public Comment (Exhibit III)

Steven Piccalo said that he lives in old Lakewood and his taxes have gone up. In the breakdown the value has gone up \$33,000 on his *structure*, not property. He stated the structure was built in the 1960's has asbestos, no insulation in the walls. He said the structure is so dated that it's probably a knock-down.

Bryan McKnight read from a letter to the Grafton Board of Trustees he wrote which chronicles interactions with the Grafton Township Assessor, registers a formal complaint about the assessment process, requests detailed financial and budgetary information and finally requests the Grafton Township Board of Trustees provide he and his neighbors a full list of options with detailed instructions for how to remove and/or replace Al Zielinski as the Grafton Township Assessor. He further states that he believes that Assessor Zielinski "blatantly broke the laws outlined in the Illinois Tax Code, therefore violating the constitutional rights of a United States Citizen." **(Exhibit IV)**

Pat Gibbon told the board that her tax bill is \$700 per month, \$8,400 per year. She said that represents 1/3 of her Social Security checks. She said that 68% of the tax bills are for schools and pensions. She told The Board there is an organization that is starting to make them heard. She knows someone who has to sell, leaving behind family and friends because of his \$2,000 tax increase and someone else whose taxes went up \$3,000.

Chris Johnson stated that Mr McKnight covered everything he wanted to say.

Laura Bice lives in Cheswick Place. Prior to receiving the tax bills, there were 3 houses for sale. Now there are 10, and they are just sitting there. No one will buy them with the tax bills so high. She said that she knows Assessor Zielinski doesn't care because he has told them many times.

Tom Farrell lives in Lakewood. He got his valuations last year and knew there would be a problem. He said he called Assessor Zielinski in November and asked how it was raised so high? He said Assessor Zielinski's campaign literature and promises were that he is fair. He talked about the regression formulation Assessor Zielinski created which applies only to the livable portion of the house. He said he did the math and demonstrated that the curve should be a gradual incline but instead, the incline is steeper at the low end and very gradual at the high end. He said that houses under 2,200 sq ft probably got walloped and that the bulk of the taxation falls on older homes.

Steve Scherotski said that his property value went up \$60,000 in one year. His tax bill increased to \$14,000. He put it on the market at \$360,000, had to drop it to \$350,000 and now it's at \$340,000 which is less than Assessor Zielinski said it was worth.

Paul Seratka asked The Board a question: Since you know what's going on, what are your thoughts? Do you support Assessor Zielinski or not? He quoted Thomas Jefferson who stated that "The government you get is the government you deserve."

An anonymous resident of Huntley said that he was really educated on the assessment process. He said he has appealed every year and won every year. He said the only way to change is the ballot box. One of the candidates for Assessor in the last election offered the other a full-time job if she dropped out of the race.

Angelo Angelakis said his Cheswick Place house is for sale. He has not gotten even one showing and they already lowered their price. With an exemption his rate is 4.13% and others are at 3%. He said he's a real estate attorney and the square footage in assessed values is incorrect.

An anonymous teacher in the community said that she is basically on a fixed income. Her taxes increased 50%.

Assessor Zielinski was asked to respond. First he asked which neighborhood Steven Piccolo lives in, which is The Gates. Then thanked the residents for stating their opinions.

An anonymous resident stood up and said he has no problem with staff or the work they did. He said that what Assessor Zielinski did was grease the stats and go against the law. He said that he did not look at the values in 2011, he looked at 2012. He then stated that Assessor Zielinski was an appraiser, not an assessor.

Assessor Zielinski said that he looked at 2011, 2012, 2013. He said sticking to the data the median is \$357,897.

Marsha Batisha from Cheswick Place said that going by square footage there are variables. She said that if you look at a house like hers, a 4 br, 3 ½ bath house, hers was valued at \$356,450. The same year, same model of house was valued at \$296,500. Less than a mile away, a 4,200 sq ft 5 br, 3 ½ bath house was valued at \$200,000. She said it is not fair, it is not uniform. She looked into the tax code and learned that it must be fair and uniform. She said we should be governed by checks and balances and wanted to know where are the checks and balances?

Assessor Zielinski responded that he used the market approach, and did a sales comparison.

Brendan Smith of Cheswick asked what is The Board of Trustees going to do to help them? Will The Board allow one member to take down all of their careers?

Assessor Zielinski responded that it was his decision alone. He said that of 100 communities that were assessed, only 2 are complaining.

Brendan Smith asked Assessor Zielinski what does that say about his process?

An anonymous resident asked Assessor Zielinski when he collected the data, how did he verify it was correct? Who did he share the data with and what were the recommendations?

Assessor Zielinski responded that he and his deputies exchanged neighborhoods so that there would be two sets of eyes checking the accuracy.

An anonymous resident asked what did they say?

Assessor Zielinski responded "Nothing."

The same anonymous resident asked what did the board say?

Assessor Zielinski said that he submitted the assessments to the McHenry County Assessor on September 4th and didn't get approval until November because they look at it first.

The same anonymous resident said that two neighborhoods are complaining, so obviously something is wrong.

Several residents insisted they hear from the Grafton Board of Trustees.

Trustee Ziller thanked the residents for coming to the meeting. He said that there are a couple of avenues that the residents can take. He explained that he was part of a group that was formed during the last Grafton Administration called "Restore Grafton Township". That group took on a qualified individual for the Assessor's position that wasn't voted in. He recommended that the residents get a copy of the Grafton Handbook and go from there.

Trustee Wagner told the residents that no one on The Board is against them. He said The Board has been complaining about and to Assessor Zielinski. The Board learned the assessor was telling residents they could not appeal. There had been many conversations with the McHenry County Assessor and others and determined that it wasn't something wrong with the assessments, there was something wrong with the formula. He said that The Assessor's Office is the only one in The State of Illinois in which you have to be certified. He said that the checks and balances the residents asked about were them looking over the bills. This board took over a township office that spent \$600,000 in legal fees to sue each other. McHenry County Assessor Bob Ross said that he will do some things next year in light of what happened this year.

An anonymous resident asked what does The Board's legal council recommend?

Attorney Gottemoller said that in Illinois, there is no way for The Board to get rid of the Assessor, that's it's just not available to do.

An anonymous Cheswick resident said her taxes went up \$3,500.

An anonymous resident said that the one thing the residents could do would be to delay the second payment of the taxes and file an injunction. It'll be a class action suit and they won't have to pay while the courts look at the case.

An anonymous resident said that eliminating all the details, at the 50,000 foot view the bottom line is that we all pay too much in taxes overall.

Attorney Gottemoller said that The County has not taken the levy for three years, so the residents are taxed \$10,000,000 less than they would have been.

Supervisor Kearns thanked everyone for coming and said the Grafton Township levy meeting is open and will take place in December. He encouraged the group to be involved in every governing body. He explained that Grafton Township was \$600,000 - \$700,000 in debt when this board took over. He said that they are fixing that, and that this year's levy was 3% which amounts to \$13,000 total. He said The Board and The Assessor had been at odds since Assessor Zielinski joined, but that the budget is the only control they have over him. Assessor Zielinski's campaign promise was to do all of the assessments every year, but he doesn't have to do more than 25%. He asked Assessor Zielinski if he would resign if he asked him to. Assessor Zielinski said that he would not.

An anonymous resident pressed the board to publicly state they're asking for his resignation. Supervisor Kearns said that he doesn't agree with what Assessor Zielinski has done and thinks he ought to fix it.

Trustee Wagner said that The Board can't do anything but feels Assessor Zielinski ought to apologize and fix what's wrong.

6. Executive Session

None.

6. Discussion and potential action of items as discussed during Executive Session

None.

8. New Business

A. Discussion and potential action on adoption of PREVAILING WAGE ORDINANCE 20150615-2, Grafton Road District.

Motion by Trustee Wagner, second by Trustee Zirk to adopt the Prevailing Wage Ordinance 20250615-2 for the Grafton Road District.

Ayes: Trustees Wagner, Zirk, Holtorf, Supervisor Kearns

Nays: Trustee Ziller. Motion Carries.

B. Discussion and potential action adoption of PREVAILING WAGE ORDINANCE 20150615-1, Grafton Township.

Motion by Trustee Wagner, second by Trustee Holtorf to adopt the Prevailing Wage Ordinance 20250615-1 for Grafton Township.

Ayes: Trustees Wagner, Holtorf, Zirk, Supervisor Kearns

Nays: Trustee Ziller. Motion Carries.

9. Old Business

A. Discussion and potential action to dispose of surplus township vehicles

Supervisor Kearns stated that they already passed this in the Annual Town Meeting.

He said he is looking to The Board for direction on whether to put out for bid, for trade or sell the bus and the two Freestar vans. Trustee Wagner asked for Supervisor Kearns recommendation. The Supervisor said he thought the vans should go out for bid.

Motion by Trustee Ziller, second by Trustee Wagner to put all three vehicles out for bid.

Ayes: Trustees Ziller, Wagner, Holtorf, Zirk, Supervisor Kearns

Nays: None. Motion Carries.

10. Committee and Officer Reports

Supervisor

Supervisor Kearns reported that we are getting closer to closing the lot on Haligus Rd. The Lake In The Hills Zoning Board is reviewing the request this week. The closing has been extended until August.

Trustee

Trustee Wagner expressed that he hopes that Assessor Zielinski takes everything he heard to heart and that if he wants to continue to be The Assessor that he needs to change his formulas.

Audit Committee

Assessor

Road District

Clerk

11. Adjournment

Motion by Trustee Wagner, second by Trustee Holtorf to adjourn the meeting at 9:35 P.M.

All Ayes.

No Nays. Meeting adjourned at 9:35 P.M.

Submitted,
Township Clerk Kathryn Hurley

Exhibit I

GRAFTON TOWNSHIP TOWN FUND WARRANT LIST FOR JUNE 15, 2015 MEETING

With my signature below, I hereby approve of the invoices listed on the following pages being submitted for payment.


Betty Zirk - Grafton Township Trustee


Joe Holtorf - Grafton Township Trustee

Dan Ziller Jr. - Grafton Township Trustee


Bob Wagner - Grafton Township Trustee


Kathryn Hurley - Grafton Township Clerk


Jim Kearns - Grafton Township Supervisor

— Exhibit II

GRAFTON TOWNSHIP ROAD DISTRICT
VOUCHER LIST FOR JUNE 15, 2015 MEETING

With my signature below, I hereby approve of the invoices listed on the following pages being submitted for payment.


Betty Zirk - Grafton Township Trustee


Joe Holtorf - Grafton Township Trustee

Dan Ziller Jr. - Grafton Township Trustee


Bob Wagner - Grafton Township Trustee


Kathryn Huley - Grafton Township Clerk


Jim Kearns - Grafton Township Supervisor



Tom Poznanski
Grafton Township Highway Commissioner

Exhibit III

**GRAFTON TOWNSHIP
BUDGET HEARINGS
PUBLIC REQUEST TO ADDRESS BOARD**

Date: June 15, 2015

NAME

~~ADDRESS~~

1. STEVE CZEROPSKI
2. Paul Serpotka -
- 3.
4. Angelo Angilogas -
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.
- 11.
- 12.
- 13.
- 14.
- 15.

GRAFTON TOWNSHIP
BUDGET HEARINGS
PUBLIC REQUEST TO ADDRESS BOARD

Date: June 15, 2015

NAME

~~ADDRESS~~

1. Jeanne Ramirez
2. Steven Piccolo
3. Bryun McKnight
4. Pat Gibbons
5. ~~John Mueller~~
6. Chris Johnson
7. LAURA BICE
8. Tom Fassel
- 9.
- 10.
- 11.
- 12.
- 13.
- 14.
- 15.

June 15, 2015

Dear Respected Members of the Grafton Board of Trustees,

My name is Bryan McKnight. I live in the Cheswick Place neighborhood located in Lake in the Hills. Our neighborhood was one of the hardest hit this year from tax increases caused by Al Zielinski and his rogue assessment practices. I'm here today to discuss this topic with you and plead with each and every one of you that as leaders of this township and our communities to listen to what I have to say and help us make a change in the assessor's office. Cheswick Place, my neighborhood and the neighborhood of many of these people in this room, consists of 114 houses. The average tax increase of all properties in our neighborhood last year was 16%. 16% is high, but that doesn't explain the full situation that we've encountered. Of the 114 houses, 28 of those houses had won Board of Review decisions within the past quadrennial or appeals last year so they only went up 5% or less with 4 of those actually decreasing double digits. The other 75.5% of the houses went up an average of 21% including mine that went up 28% from a tax payment that was already \$11,472 in 2014.

The unfortunate piece of that fact is my increase wasn't even the worst in Cheswick Place! Six homeowners increased 30% while two very unfortunate families experienced a 35% increase! As bad as that sounds, I've heard the homeowners in The Gates in Turnberry were hit harder than us with one person getting hit with a 75% tax increase. Some of these people are fortunate enough to absorb it, but others can't get out fast enough. Just like a dozen of other neighbors, Steve Czeropski couldn't get a For Sale sign in his yard fast enough. Upon speaking with him, he informed me that he is indeed moving because of the 30% tax increase and one place he is looking is in the neighborhood next to us (less than a mile away). He said there are houses in that neighborhood that are bigger than his, with 3 car garages, and on larger plots of land that pay thousands less in taxes than what his tax bill increased to this year. After speaking with him, I thought "wow how bizarre is that" but the more we looked into it, the more bizarre it got. This is just one example of many that I will share in this letter.

As a group, my neighbors and I have spent countless hours researching the property tax process and dedicated a large portion of our time to determine why this increase has happened. After a lot of side stepping conversations with Al Zielinski where he tried to pawn the high tax increase off on the levies, we've determined that the primary reason our taxes went up this year was not the levies. In fact the total levies reduced this year. The reason our taxes skyrocketed as high as 35% was because of Al Zielinski. He entered office in late 2013. First, he insisted that a brand new assessment process was needed so he completely scrapped the old process to implement what he described as a new, fair assessment process in his first year in office which was the last year of the quadrennial. Mr. Zielinski has never been an assessor before, he's never used this process and it's obvious his interpretation of how it should work and be implemented is filled with many flawed processes that result in assessments that are not fair. One of the primary facets of the process includes segregating neighborhoods for regression testing. This allows homes to be compared only to other homes in their neighborhood, no matter the size and features. It doesn't matter if the homes are completely different sizes, shapes, or have different features.

The process ignores other houses and sales that are better comparable homes that could be literally identical in size, schools, and amenities that are in other nearby neighborhoods. No

other real estate entities including appraisers, real estate agents, or mortgage bankers use valuation techniques like this. A great example is within Cheswick Place where there are homes that range from 2249 sq. ft. to 4300 sq. ft. houses. The 2249 sq. ft. house is forced to be compared to homes in some cases nearly twice its size under Mr. Zielinski's process. It does not matter that in neighborhood adjacent in all directions of Cheswick Place there are homes that are more suitable and comparable to that one. The unfortunate result of that unfair assessment was a 30% increase to their tax bill.

Another failed implementation is the fact that Al Zielinski chose to use a version of the site value method vs. dollar/square foot method to value the land. He quoted the following definition in his presentation to Cheswick: "Surplus Land: Land that is not currently needed to support the existing improvement but cannot be separated from the property and sold off." When asked to clarify, he simply stated with a straight face "just because there is more land, it doesn't make it more valuable." This blew my mind! The tax is called PROPERTY tax. When you are taxing the property people own and there is a fixed amount of property to be taxed, how could you logically state that a person who owns MORE PROPERTY shouldn't be taxed on it because more land doesn't make it more valuable? It is not logical.

Upon further investigation, I noticed an interesting fact. My property at 4281 Galway is a .27 acre standard plot of land with an assessed value of \$14,667. Mr. Zielinski lives at 9515 Turnberry Trail on a vast 1.39 acre plot of land that is on a beautiful lake front property across from Turnberry Country Club and it has an assessed value of \$13,333. His land has an assessed value that is 9% less than mine, but it is more than 5 times the size and on a lake!!! Any common sense person would see that this is totally not fair and is yet another example of a process that is catered to people with larger plots of land like Mr. Zielinski.

However, that is only one injustice noticed in the land valuation methods of Mr. Zielinski. There is a section of houses in Hunters Ridge whose assessed values dropped from \$18K to \$8K (a \$30,000 reduction in Market Value). At .7-.9 acres of land, these are not small parcels of land. In a meeting last month, I asked Mr. Zielinski, "How could a property 3-4 times bigger than our homes that is less than a mile away be priced \$20,000 less than ours in Fair Market Value?" His answer was quick and simple. He stated "we reset the values back to the original prices, but that doesn't matter because the regression results more than make up for it in total price." So hold on, Hunters Ridge was built on a farm that was sold 20 years ago for \$114,110. Cheswick was built on a farm that sold more than 10 years ago for \$4.6 million! How could the sale of a farm 10 and 20 years ago be any fair justification for a \$30,000 market value reduction 20 years after that fact? This is absolutely absurd and proof the entire process is compiled of fabricated numbers and justifications that any common sense assessor would not use. There have been few things that don't make sense to us and it appears that most processes were implemented to the benefit of Mr. Zielinski or his political campaign. Morally and ethically, this is not right.

The assessment process change is only the tip of the iceberg. The biggest issue is that he decided to complete a full general re-assessment of all properties in Grafton Township in a non-quadrennial year. The Illinois Property Tax Code states that homes must be re-assessed every four years, hence the term Quadrennial. The last was in 2011 and the next is scheduled for this year (2015). Before taking office, Martin Paulson, the Chief Assessor of Lake County, as well

as Robert Ross, the McHenry County Chief Assessor, met with Mr. Zielinski and both gave him advice to not complete a general assessment in 2014 (the last year before the quadrennial assessment is scheduled) and to wait one year before completing such a large endeavor. Both are experienced leaders in the area and have many more years of experience than Mr. Zielinski. Mr. Zielinski chose to ignore all advice from these experts and, in his first year on the job with no experience as an assessor, proceed with a full assessment any way. His reasoning to Mr. Ross was that he made a "campaign promise."

Of course, Mr. Zielinski could not complete a full assessment of all 100% of the houses in Grafton. 15% couldn't be re-assessed because they had won Board of Review hearings in the past couple years so instead he only re-assessed about 85% of the properties resulting in non-uniform assessment process across the entire township.

To make matters worse, no other townships in McHenry County did this or has done this because it causes massive issues with the townships' assessed values in comparison to others. This time was no different. After it was done, the assessed values of many homes in Grafton sky rocketed in proportion to other homes in the county. Nunda and Algonquin went down (as expected) as well as a portion of Grafton after his reassessment causing those Grafton homes whose assessed values were adjusted upward to artificially pay a much larger portion of the overall tax levy. If he would have waited to complete the re-assessment during the quadrennial assessment year (2015) like it is stated he should have done in the Illinois Tax Code and what all experts advised him to do, all homes throughout the county could have been reassessed fairly, at the same time and uniformly throughout the entire county.

Unfortunately, this and this alone is the primary reason why people were hit so hard. Now we are experiencing the fallout from his inexperience and he has cost people in this township a lot of money. We estimate in our neighborhood alone, we've been forced to pay a conservative \$160,000 but could be as much as a couple hundred thousand worth of taxes more than what we should have due to his actions. In our meeting with Mr. Zielinski last month, we flat out asked him if he knew the impact of assessing in a non-quad year and how it would impact neighborhoods like ours before he did it.

His answer...Yes, he knew.

He knew some houses would balloon to astronomical levels but he didn't care. Bottom line, he knowingly sacrificed our homes assessments and knowingly forced our small neighborhood and neighborhoods like the Gates to pick up a significantly larger percent of the overall county tax levy. Why? Well, he promised it in his campaign. He sacrificed our well-being for his political gain. Time after time, we've found examples of processes that appear were put in place for personal gain on his own personal property and/or his political gain. It is a rampant problem that needs to be addressed immediately.

So with all that said, we have several items to address. First, we are here today to make an official complaint on record with the township board that we believe Al Zielinski acted outside of the law when conducting the 2014 general assessment of 85% of the parcels in Grafton Township. As the examples I just stated indicate, his actions were reckless, deceitful, and far

from the best interest of the township's residents. We would like to ask that Al Zielinski be put on notice by the board and we would like a full investigation into his actions from this past year.

Second, we also would like to request full detailed financial information including budgetary and actual spend information on how much the general assessment cost tax payers in 2014. Also we would like full budgetary numbers for this year and the next 2 years. Unfortunately, we also have proof that Al's reign of terror on our neighborhood is not done. He documented in an email to one of our neighbors that if he can get away with it, he is planning on implementing further changes to his process that could further distort the assessment process including using sales from 2011 which is specifically stated in the Illinois Tax Codes as being illegal. This is just further proof that he is implementing processes as he sees fit and making it up as he goes without any consideration of the LAW or experts' advice in the field. The longer he is allowed to stay in office, the more damage he is going to do. He has already caused irreparable damage to property values, caused (in some cases) unrecoverable monetary damages to township residents and to be honest, the reputation of the township and all its communities are being destroyed due to some of the highest tax rates in the country. For those reasons, we would like to request that his budget be removed from the township business plan to prevent him from causing further damage to the township, the communities and municipalities within the township, and the people that live here that he "so called" represents as an elected official.

Furthermore, we know as citizens, we have certain rights to act when we believe elected officials are operating in ways that are damaging to the community it represents. So, we would like a full list of options that we could explore to remove and/or replace him as assessor including: 1) impeachment of the elected official, 2) a rollback election to replace him, or 3) removal and transfer of authority to the county assessor's office. We would like to have detailed instructions on how to progress and complete all of these and if none of these are options, we would like to sit down with the board to discuss our options.

In closing, we strongly believe Al Zielinski blatantly broke the laws outlined in the Illinois Tax Code and through his actions, violated our Constitutional rights of a United States citizen. We are working with several legal professionals and experts in this industry to commission a full review of the legality of the entire situation and based on findings of that review, further action may be forthcoming.

Board members, the time to act is now before Mr. Zielinski can cause any more damage to this community that we all live in and love.

Thanks for your time.

Best Regards,
Cheswick Place Neighborhood