

**GRAFTON TOWNSHIP REGULAR BOARD MEETING
WEDNESDAY, MARCH 1, 2017 7:30 P.M.
GRAFTON TOWNSHIP OFFICES 10109 VINE STREET, HUNTLEY, IL 60142:**

- 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 Zirk, second by Trustee Wagner to approve the agenda as posted.
Ayes: Trustees Zirk, Wagner, Holtorf; Supervisor Kearns
Nays: None. Motion Carries.
- 5. Regular Business**
A. Approval of Minutes of February 20, 2017 Township Regular Meeting
Motion by Trustee Wagner, second by Trustee Zirk to approve the minutes.
Ayes: Trustees Wagner, Zirk, Holtorf; Supervisor Kearns
Nays: None. Motion Carries.
- 6. Public Comment/Board Members Response to Public Comment**
None.
- 7. Executive Session**
Motion to convene an Executive Session to discuss pending legal actions pursuant to 5ILCS 120/2(c)(11).
None.
- 8. Discussion and potential action of items as discussed during Executive Session**
None.
- 9. Old Business**
A. Review and discussion of FY 2017/18 submitted Assessor's budget
Assessor Zielinski distributed a letter and a document titled the FY 2017-18 Assessor Budget Justification. **(Exhibit II)** He told the board that he prepared it in response to Trustee Holtorf's request for information regarding the use of CoStar. Supervisor Kearns said that the trustees did some homework and learned that there isn't a free class available in Springfield that works for two of the deputies. Therefore he recommended that line 1761 for training go back to the \$2,000 originally allotted and the travel line go back to \$1,000.

B. Address and adopt Grafton Township Office Policy
Motion by Supervisor Kearns, second by Trustee Holtorf to table the discussion about the Grafton Township Office Policy.
Ayes: Supervisor Kearns, Trustees Holtorf, Wagner, Zirk; Supervisor Kearns
Nays: None. Motion Carries.
- 10. New Business**
A. Resignation of Supervisor Jim Kearns
Supervisor Kearns submitted his verbal resignation which he promised electors he would do if elected to the McHenry County Board. He stated that it has been his honor and pleasure to serve Grafton Township.
Motion by Trustee Wagner, second by Trustee Holtorf to accept Supervisor Kearns resignation.
Ayes: Trustees Wagner, Holtorf, Zirk; Supervisor Kearns
Nays: None. Motion Carries.

As the longest serving Trustee, Betty Zirk took over leadership of the meeting.

B. Discussion and appointment of Township Supervisor to fill the vacancy for the remainder of Jim Kearns' term.

Motion by Trustee Holtorf, second by Trustee Wagner to appoint the winner of the primary election, Eric Ruth, to serve as Supervisor for the remainder of Supervisor Kearns' term.

Ayes: Trustees Holtorf, Wagner, Zirk

Nays: None. Motion Carries.

C. Oath of Office for newly appointed Grafton Township Supervisor

Eric Ruth recited and signed the Oath of Office administered by Clerk Hurley.

11. Committee and Officer Reports

Supervisor

Supervisor Ruth told the board that he believes they have done a good job and that his intention is to continue the path they established.

Trustee

Trustee Wagner said that he would get a Policy Manual for Supervisor Ruth to review prior to making changes to it.

Facilities Update Committee

Assessor

Road District

Clerk

Clerk Hurley informed the board that the Annual Town Meeting will be on April 11th at 7:00 in the theater at the Huntley Park District. She said the board would have to approve the agenda for that meeting at the March 20th regular meeting.

12. Adjournment

Motion by Trustee Holtorf, second by Trustee Wagner to adjourn at 7:52 pm.

All Ayes. No Nays.

Meeting adjourned at 7:52 pm

Submitted,
Clerk Kathryn Hurley

Exhibit I

GRAFTON TOWNSHIP PUBLIC REQUEST TO ADDRESS BOARD

Date: March 1, 2017

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Grafton Township Assessor
10109 Vine Street, Unit C
Huntley, IL 60142

March 1, 2017

FY 2017-18 Assessor Budget Justification

Synopsis

The Assessor's requested FY 2017-18 budget:

1. is consistent with other comparable townships' budgets on a per parcel basis,
2. is below all other comparable township's budgets on a percentage of EAV basis,
3. represents a 23% reduction from the budget in effect when the current assessor took office,
4. comprises 43% of the 2017 township levy vs. 49% of the levy when the assessor took office and
5. is in full compliance with all applicable Illinois statutes including the Property Tax Code specifically 35 ILCS 200/2-80: Expenses and office needs.

"Township and multi-township assessors shall receive travel and transportation expenses in the amount determined by the board of town trustees, and shall be reimbursed for their reasonable travel, meal, lodging and registration expenses incurred in attendance at a school of instruction prescribed by the Department. The board of town trustees shall provide the office and storage space, equipment, office supplies, deputies and clerical and stenographic personnel and other items as are necessary for the efficient operation of the office."

6. The Board's attention is called to the requirement for "efficient operation of the office."
7. Because of its incomplete staff of Deputies, the Grafton Assessor's office is currently deficient relative to the following statutes: 35 ILCS 200/9-155 (viewing properties) and 35 ILCS 200/9-160 (timely book submittal).

Itemized discussion

Training (continuing education)

Requested amount: \$5,600 (1.3% of the total requested budget, 0.5% of the township levy).

Assessor training is mandated by 35 ILCS 200/4-10:

"To receive a Certified Illinois Assessing Officer certificate, a person shall complete successfully and pass examinations on a basic course in assessment practice approved by the Department and conducted by the Institute and additional courses totaling not less than 60 class hours that are designated and approved by the Department, on the cost, market and income approaches to value, mass appraisal techniques, and property tax administration."

Assessor continuing education is mandated by the Illinois Property Assessment Institute:

"The IPAI requires that all active CIAO's complete 60 hours of designation maintenance education over a 4 year cycle. If you fail to complete maintenance hours, your designation will expire." (Source: https://www.ipai.education/IPAI/CIAO_Maintenance)

The requested training is higher due to the lack of reduced funding for the staff's continuing education in FY 2015-16 and no funding for anyone's continuing education in FY 2016-17.

The posted township budget is not in compliance with the Property Tax Code because it does not provide continuing education funding for Martin Kinczel or Alan Zielinski. It also places the CIAO standing of all Deputies in jeopardy. The submitted budget allocates the requisite continuing education annually.

Zeroing the training budget by moving those funds into the Travel budget suffers numerous shortcomings.

- a. It is poor accounting practice because greater transparency is gained by allocating funds directly to their use. Funds used specifically for training should not be comingled with the travel account.
- b. It is a waste of taxpayers' dollars because attending local IPAI courses (where applicable and available) can be done at a lower cost. Local IPAI courses are less expensive than the same number of credit hours obtained at no charge Department of Revenue courses due to higher travel, lodging and meal expenses involved with the travel to and from Springfield.
- c. No overtime is budgeted to compensate for the travel time between Huntley and Springfield.
- d. It is disrespectful to the Assessor office's staff due to the burden of extra time away from family.
- e. Not all courses provided by the Department of Revenue are applicable to all deputies at all times.

Per the Illinois Department of Revenue publication PTAX-1032:

"Assessing officials are allowed to take an approved class for IDOR credit provided that they have not taken the class within the past 10 years."

CoStar (commercial property database)

Requested amount: \$4,400 (1% of the total requested budget, 0.4% of the township levy).

Although the vast majority of Grafton township's parcels are residential, its commercial and industrial parcels still represent a significant portion of the township's EAV. Approximately \$81,000,000 of assessed value (5.2% of the township's total EAV) resides in non-residential, non-farmland and non-county parcels.

On average, approximately 50 appeals comprising about 100 parcels are registered each year. Without CoStar, the township has no viable means of defending its assessments. The decreased EAV will unfairly increase the tax rates within the township.

The minimal cost of \$4,400 for CoStar to protect that EAV is a wise investment.

MLS (residential, vacant land and commercial property database)

Requested amount: \$1,960 (0.5% of the total requested budget, 0.2% of the township levy).

As previously stated, Grafton township is comprised of primarily residential properties: roughly 19,720 of Grafton's 21,665 are residential parcels that comprise approximately \$1,460,000,000 of EAV.

Relying solely on PTAX forms for sales data incurs several significant deficiencies.

- Interior access of new sales is not always available.
- As such, interior condition (especially updating) is an unknown.
- The PTAX forms are woefully inaccurate regarding the designation of compulsory sales.
- Finished basements are not currently being tracked or assessed due to unreliable/incomplete data.

Numerous taxpayers have requested we track basement finish. Regression accuracy would be refined by being able to accurately include interior condition (upgrading) as a potential independent variable.

Appeals could be more efficiently and equitably resolved via the availability of the above data. Several other townships use the MLS as a verifiable foundation for their assessments.

The minimal cost of less than \$2,000 to protect \$1.46B of residential EAV is a wise investment.

Salaries (includes benefits)

Requested amount: \$58,500 (13.6% of the total requested budget, 5.6% of the township levy).

The fully-loaded cost of a fifth Deputy is approximately \$55,800. That would bring the Assessor office's Deputy staff size to five which would put it on par with the other comparable townships. A fifth Deputy would also conform to Trustee Holtorf's projected 10,000 annual man-hour requirement for the Deputies.

A fifth Deputy is required for numerous reasons.

- The backlog of field work due to new construction (Grafton leads McHenry County in this area)..
- The backlog of field work needed for the deferred compliance with section 35 ILCS 200/9-155.
- The backlog of entering PTAX data into the assessor database.
- The backlog of entering taxpayer home improvement exemptions into the assessor database.
- The backlog of scanning and entering building data into the assessor database.
- Adequate office coverage during Deputy vacations.
- Adequate office coverage during Deputy illnesses.
- Adequate office coverage during Deputy continuing education.
- Adequate office coverage during intensive field work.

35 ILCS 200/9-230 requires the township Assessor to sign the following affidavit.

"I do solemnly swear that the book or books in number, to which this affidavit is attached, contains a complete list of all of the property in the township or multi-township or assessment district herein described subject to taxation for the year so far as I have been able to ascertain, and that the assessed value set down in the proper column opposite the descriptions of property is a just and equal assessment of the property according to law."

Through the dedication, hard work and sacrifice of the entire Assessor's office, the Assessor has been able to confidently sign that affidavit each year since 2014. However, given Grafton's increase in both new construction and property values, a fifth Deputy is mandatory for compliance in FY2017-18 and beyond.

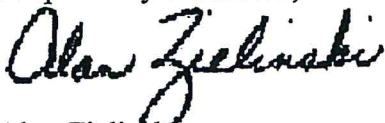
The regression software allowed Grafton Township to excel at assessment accuracy and fairness.

However, it did nothing to address the man-hour requirements of the office's daily operations. A good analogy would be using a transit for digging holes: the transit (regression software) allows accurate placement of the holes but does nothing to reduce the man-hour requirement of digging them.

We look forward to discussing and resolving any questions the Supervisor and Board has at their convenience. We would welcome the opportunity to make a presentation regarding how the Assessor's office operates and the numerous, time-intensive steps involved in its daily operation that soundly justify the submitted budget request including the fifth Deputy.

Thank you for your time, consideration and approval of this budget as presented.

Respectfully submitted,



Alan Zielinski
Grafton Township Assessor

Grafton Township Assessor's Office Budget: A Historical and Inter-Township Perspective

	Requested FY2017-18 ¹	Historical Comparison						
		Approved FY2016-17	Approved FY2015-16	Approved FY2014-15	Approved FY2013-14	Approved FY2012-13	Approved FY2011-12	Approved FY2010-11
Township Assessor (budget)	\$431,030	\$337,287	\$354,500	\$463,729	\$562,384	\$576,000	\$564,440	\$541,650
Township EAV	\$1,660,589,462	\$1,546,156,892	\$1,431,724,322	\$1,389,402,406	\$1,398,546,744	\$1,453,557,830	\$1,612,255,496	\$1,578,702,354
Township Assessor budget (% of EAV)	0.026%	0.022%	0.025%	0.033%	0.040%	0.040%	0.035%	0.034%
Township Parcel Count	21,675	21,665	21,656	21,604	21,594	21,576	21,575	21,621
Township Assessor budget (\$ per parcel)	\$19.89	\$15.57	\$16.37	\$21.46	\$26.04	\$26.70	\$26.16	\$25.05
New Construction	\$9M	\$8.1M	\$7.2M	\$6.9M	\$9.0M	\$8.3M	\$1.9M	\$1.4M
Staff size (Deputies)	5	4	4	5	6	6	7	7
Parcels per Deputy	4,335	5,416	5,414	4,321	3,599	3,596	3,082	3,089

¹ FY2017-18 figures are based on the budget request and forecast EAV and parcel count. All other figures are per the Grafton Township PAMS database on 1/31/2017.

Inter-township Comparison

Nunda Township (source: Nunda Township Assessor via e-mail and CCAO Annual Reports)

Township Assessor (budget)	\$395,000	\$515,560	\$532,810	\$548,350
Township EAV	\$1,146,562,442	\$1,091,791,324	\$1,074,305,824	\$1,057,100,362
Township Assessor budget (% of EAV)	0.034%	0.047%	0.050%	0.052%
Township Parcel Count	20,939	20,953	20,203	20,251
Township Assessor budget (\$ per parcel)	\$18.86	\$24.61	\$26.37	\$27.08
Staff size (Deputies)	5.5	7	Unknown	Unknown
Parcels per Deputy	3,807	2,993		

"official per Mark"

Algonquin Township (source: Algonquin Township FOIA request and CCAO Annual Reports)

Township Assessor (budget)	\$730,650	\$791,650	\$837,650	\$857,650
Township EAV	\$2,320,000,000	\$2,180,264,415	\$2,121,075,671	\$2,220,982,887
Township Assessor budget (% of EAV)	0.031%	0.036%	0.039%	0.039%
Township Parcel Count	37,432	37,459	37,737	37,769
Township Assessor budget (\$ per parcel)	\$19.52	\$21.13	\$22.20	\$22.71
Staff size (Deputies)	6.5	7.1	8.1	9.1
Parcels per Deputy	5,759	5,276	4,659	4,150

"official per FOIA"

McHenry Township (source: McHenry Township FOIA request)

Township Assessor (budget) ¹	\$510,477	\$463,350	\$433,810	\$404,500
Township EAV	\$1,075,286,823	\$1,061,627,047	\$1,052,037,377	\$1,070,805,298
Township Assessor budget (% of EAV)	0.047%	0.044%	0.041%	0.038%
Township Parcel Count	24,486	24,456	24,661	24,553
Township Assessor budget (\$ per parcel)	\$20.85	\$18.95	\$17.59	\$16.47
Staff size (Deputies)	6	5	4.5	4.5
Parcels per Deputy	4,081	4,891	5,480	5,456

"official per FOIA"