

Property Tax Relief Task Force

Sub-Committee on Social and Economic Disparities

Meeting Notes
October 15th, 2019
6:30 PM

Cross County Mall
Hosted by Concerned Taxpayers of Coles County
700 Broadway Ave East, Suite 10
Mattoon, IL 61938

I. Welcome and Roll Call

- a. Representative Flowers called the meeting to order at 6:35pm and read the purpose of the Property Tax Relief Task Force.
- b. Representative Flowers called the roll. No quorum.
- c. Representatives Darren Bailey, Dan Caulkins, and Blaine Wilhour were present at the subcommittee hearing and delivered welcoming remarks.
- d. Representatives Chris Miller and Brad Halbrook were in attendance remotely.

NAME	PRESENT
Representative Mary Flowers, Chair	Yes
Representative Marcus C. Evans, Jr.	No
Representative La Shawn K. Ford	No
Representative LaToya Greenwood	No
Representative Thomas Morrison	Yes
Representative Delia C. Ramirez	No
Representative Lamont J. Robinson, Jr.	No
Representative Sam Yingling	No
Senator Christopher Belt	No
Senator Robert Peters	No
Representative Curtis Tarver	No

II. Concerned Taxpayers of Coles County Panel

- a. Rob Perry, Concerned Taxpayers of Coles County – This Task Force is not about partisanship, it's about the people.
- b. James Di Naso, Concerned Taxpayers of Coles County – Grew up in Cook County and moved to Coles County. Has a unique perspective and happy to share it and offer solutions.
- c. Anthony Travis, Tax Doctor – For the past 2.5 years he has been traveling the State educating people about the property tax system. He learned that Rob Perry and James Di Naso had filed a lawsuit against Coles County regarding property

taxes and that is how he learned about the Concerned Taxpayers of Coles County. This is not a black and white issue, not a partisan issue, but a green issue – it's about money. Understands that government costs money and citizens are responsible for paying for it. However, taxes can only be raised so much, and we've reached the breaking point. Illinois has more forms of government than any other State. He advocates for consolidation of government to cut taxes. His focus is on consolidation of school districts and a subsequent reduction of school administrators and administrative salaries.

III. Public Comments – Kirk Allen, Emcee

- a. James Clarage, part-time Iroquois County Township Assessor, spoke to a handout he provided. He noted that the Illinois Department of Revenue has no legislative authority to dictate the local assessment process, and that many local townships do not pay for an assessor. He claimed his calculations showed \$3 billion in property tax is not put on the books for levying, mostly through new buildings, which drives up the cost for other people. Kirk Allen, Emcee, stated criminal complains need to be filed.
- b. John Kraft, Edgar County Citizen – There are many properties in the County that have not been placed on the tax rolls. Government bodies are leasing their property for farming and no one is paying taxes. Kirk Allen, Emcee, stated there should be forensic analysis of every property -county by county - as 90% of the time the property is not on the tax rolls due to political connections.
- c. James Di Naso, Concerned Taxpayers of Coles County – I agree that all properties that should be taxed are accounted for on the property tax rolls because if not it shifts the burden to other taxpayers. Provided the following list that increases property taxes:
 - i. Conflicts of interest – those in government that benefit from keeping property taxes high.
 - ii. Consolidation of government – there is a difference between urban and rural areas – one size may not fit all
 - iii. Special interest groups that get a lot of our tax dollars – example: capping salary increases at 3% but then moved back to 6% - didn't benefit the taxpayers
 - iv. Unfunded mandates from Springfield
 - v. Stop the 3% compounding COLA increase for retirees and tax the pension income
 - vi. The solution is not to increase other taxes but to look for budget cuts
- d. Kirk Allen, Emcee, message via text from a citizen in Shelby County, 3 suggestions for the sub-committee:
 - i. Pensions – protect what employees/retirees have earned and gradually move state employees to a 401 K
 - ii. Local units of government - vote on collective bargaining – get the measure on the ballot either by board or referenda

- iii. Reduce individual school administrators to a county wide administrator and create a 5-year plan to change consolidated school operations to reduce administrative costs
- e. Anthony Travis, Tax Doctor – From 1984 to 2014 the State lost \$1 B annually when the State stopped taxing retirees. An analysis by the State Comptroller said that the State lost \$2.3 B in 2015 by not taxing retirees.
- f. Ron Perry, Concerned Taxpayers of Coles County – went to the Illinois Department of Revenue to discuss the property tax multiplier. We were told the Department had no oversight or authority to direct changes in the county. Then we went to the Property Tax Appeals Board asking the same questions. The Board was 60,000 complaints behind. This needs to be streamlined. If a property owner comes to the Board with an appraisal that is different, the appraisal value should be accepted.
- g. Jonathan Kay, Edgar County citizen – Every farm building in the State is overtaxed. I am 3 years into an appeal.
 - i. The assessors don't go by statute they go by custom
 - ii. Public sector unions are the biggest problems
 - iii. Teachers pensions are a problem, but the administrators are making too much money
 - iv. Consolidation makes sense - from a rural perspective - but needs to cut from the top down (State) not the bottom up
 - v. Tie government workers' wages to the median income of the county where they work
 - vi. All public bodies need to have private sector representation
 - vii. Kirk Allen, Emcee – The Comptroller's website has the annual financial report for every unit of local government. Citizens need to know what their local governments indebtedness is.
- h. Kirk Allen, Emcee, message to Representatives via text: What suggestions have you put on the table of trying to move this forward, if any? Representative Flowers: I've come with no conclusions tonight because I wanted to debate. For example, Mr. Kay your wife is an engineer, what should her median salary be? Mr. Kay responded by saying the salaries of school administrators should be tied to the median income of the county they work in. Representative Flowers: We didn't get here overnight and we're not getting out of it overnight. But now we are talking about it. However, there are other problems that have be solved first before we start reducing salaries. We have to ensure that everyone is paying their fair share of taxes. We have to make sure all the taxes are being collected fairly. We've made changes to some unfunded mandates; however, we have to look at the bigger picture in the long run when it comes to mandates and used an example of recess leading to healthier children and better grades. I can't answer all of your questions this evening. But I have heard you.

- i. James Di Naso, Concerned Taxpayers of Coles County – In all fairness to police and fire personnel, it's not about those individuals but about the arbitration laws and I think that is what needs to be reviewed. Johnathon Kay, Edgar County citizen – I go to the police and fire pension boards and there is no one there representing the taxpayer.
- j. Kirk Allen, Emcee, message via text: What about Tax Increment Financing Districts? Anthony Travis, Tax Doctor – In the City of Chicago they voted to come up with a contiguous TIF. How can the east side of Chicago be contiguous with the north side? Read the book, "Chicago Is Not Broke" that points out that billions of dollars are there. The TIF dollars were reserved for the blighted areas of Chicago. Those folks didn't see any of that money. Representatives, when you go back to Springfield you may want to fix this. Kirk Allen, Emcee - For TIFs there are certain requirements that assessors must sign off that the assessments are true and accurate. But in Coles County we didn't have assessments in those areas for 16 years. And that is why we need those forensic audits to hold people accountable for not doing their job.
- k. Charlie Stodden, Coles County citizen – I grew up believing that it was my responsibility to take care of myself. We are expecting too much from government. Until that stops, I don't think the problems can be solved. There are too many false ideas that government is supposed to take care us. Read the Book, "No Time for Slaves" it's about taxation. Citizens should not beg for government to take care of our lives. Representative Flowers: Charlie, with all due respect, I grew up poor too. I knew that if I continued to work it would get better. My parents worked hard but were cheated out of their wages and they didn't have the opportunity to pull themselves up by their boot straps. They were not responsible for the discrimination, the redlining, all their difficulties – they were not responsible for this. To say that we beg (government), I beg the difference with you. Citizens have bailed out the banks and the automobile industry and others. Where did they get their bailout from? From us, the citizens. Let us fail to meet our mortgage payment, fail to pay for our children to go to college, let us fail to afford our prescription drugs – who are we going to blame? When you say government is not involved, I say government should be involved. In Canada people are buying the same prescriptions for half of what we pay. Why? Because their government is making up the difference. In other countries there is access to health care, not based on the middle man – the insurance company. We need government to tell the insurance company to stay out of our private business. I don't want people to leave here thinking they need to apologize for receiving services like social security. Government has a place, but government can go too far. Anthony Travis, Tax Doctor – I recall something said by President Kennedy's economist John Kenneth Galbraith said, the country can't afford one segment of our population to go unemployed if a major business has issues. Is it right that the government steps in and bails out the industry? It's debatable, but if a lot of citizens are out of work because the government didn't step in and help that's not

right. We are our brother's keeper. We may not always like the helping hand, but on the flip side when it comes to Wall Street – Main Street bailed out Wall Street. It is now time for Wall Street to bail out Main Street. Capitalism by far is the best economic system to have but if you let capitalism run amuck – it becomes dangerous. Sometimes we may not like some of the solutions that come our way. If we don't make government work for the people, then we have issues.

- l. Rex Dukeman, Coles County citizen – Tonight we came here for a tax meeting, and one thing I thought should be addressed is our property taxes. I looked at my tax bill and broke it down. 43% to education, 21.25% to TIF, 21% to pension that is 84% of our tax bill going to those. This leaves only 16% for the remainder of taxing bodies in Coles County. It's not hard to understand why they have no money to do anything in our community. Schools and pensions must be addressed – they have to be fixed. Secondly, the double/triple dipping in the pension system must stop. Representative Flowers: With regards to pensions, we need to find a balance in capping pensions. Regarding rental buildings and property taxes, Professor Lashondra Graves would tell you that property taxes are higher than needed for renters because property owners are charging more than they need to.
- m. Mike Barringer, Coles County citizen – Part of the issue is what people think they have to have versus what they actually need. There is personal responsibility to not step out beyond what they can afford. A detailed balanced budget is what the State needs. The State has a spending problem.
- n. Rob Perry, Concerned Taxpayers of Coles County – Please explain to me why the assessment process in Cook County is different than in the other 101 counties. Representative Flowers: Home-rule. Rob Perry, Concerned Taxpayers of Coles County – Does the Department of Revenue take the different assessment processes into consideration? Representative Flowers: We have our own County Board and Assessor.
- o. Lincoln – I don't see this problem ever getting fixed because look at the number of people here. There are not enough people here that are concerned. Representative Flowers: I'm not worried about the number of people that are here, because to me, the exchange that we are able to have is priceless. If this room was packed, we couldn't have this conversation. I am sure that everyone is going to go out and say what all they missed, and they should have been here. But we are here to listen to you.
- p. An unknown person spoke – Property taxes are for county services not state services. I thought this statement would help us get back on track to discuss property taxes.
- q. Anthony Travis, Tax Doctor – If you want to save between 60-70% of your property taxes do these three things: one, get the schools off the property tax

system; two, go to a statewide budget for education; and three, consolidate these school districts.

IV. Adjournment

- a. Representative Bailey, Caulkins, and Wilhour delivered closing remarks.
- b. Representative Flowers adjourned the sub-committee at 8:35pm.

DRAFT