

8-Dec-09

Rich Township's Responses to the Allegations Made in the November 25, 2009, ABC 7 News I-Team/Better Government Association 7 Segment about Township Government

The Allegations:

On Wednesday, November 25, and December 2, 2009 ABC 7 aired stories critical of township government, generally. Rich Township was one of a number of townships mentioned in the story. Financial and other figures based upon a superficial analysis of mandatory Township reporting were presented and erroneous conclusions were then made. The reports utilized primarily included the Rich Township Annual Financial Reports which are filed with the Illinois Comptrollers' office. Reporter Chuck Goudie and the ABC I-team made three major allegations concerning Rich Township:

1. Rich Township spent 1/3 of its funds on the mandated functions of General Assistance and the Road District; spending only 5 per cent of its funds on state mandated temporary aid to the poor.
2. Rich Township has amassed excessive tax funds amounting to approximately \$4 million.
3. There is no oversight of Township governments. Townships use in-house auditors.
4. Questioning the role of the Township Assessor.

The Facts:

1. ABC 7/BGA combined both the Town Fund expenditures of \$4,049,322 and General Assistance Expenditures of \$380,552 for total expenditures for the two funds of \$4,429,874 for fiscal year 2008-2009. Why? ABC then asserted that townships should only fund General Assistance Home Relief budget items (which amounted to \$236,910

last fiscal year), and apparently not pay anything for salaries and other administrative costs.

It should be noted that of total GA expenditures last year, 65% went to Prescriptions, Utilities, Shelter, Food, Transportation, and Emergency Assistance.

They also have no understanding about GA. 1) That the recipients are “self-selected”, that is, they come to us for help. 2) GA has a very strict set of eligibility criteria; everyone who applies will not be eligible. To do as ABC says would eliminate all other social service programs funded by the Town Fund such as our award winning transportation program for seniors and the disabled, our food pantry, and the Park Forest Senior Center. Gone also would be related health and wellness senior programs, our youth summer camps, our youth and family service counseling services, our ESDA program, the Old Plank Road Trail, the multi-township Senior Companion program and every other township program not “mandated” by state law. Not “mandated”, but needed and expected by our local Township residents.

2. Townships are primarily funded by real estate taxes. We basically receive our taxes ***twice a year*** during the fall and late winter. The funds received during the fall are supposed to be received in September/October, but in fact are often not received until November or even December. The funds on hand on March 31st should be enough to last until at least late December, and in fact the Illinois Government Finance Officers Association recommends that units of government that are dependent on property taxes, such as townships, should maintain enough funds to last until March of the following year. Rather than a four to six month cushion recommended by IGFOA, we have only maintained a one to two month cushion; and anticipate that demand for social welfare and general assistance programs next year will increase, while tax revenues will remain flat.

Incidentally, Illinois courts have ruled that units of local government should not have cash-on-hand balances of more than twice their annual expenditures. In our case, our *allowable* limit would be approximately **\$8 million**.

3. Townships have as much oversight as any other unit of government in the United States. Township finances and programs approved by a locally elected Board of Trustees composed of the Township Supervisor and four Township Trustees who approve all Budget and Appropriation Ordinances, Tax Levy Ordinances, and monitor and approve all expenditures. Township citizens are also encouraged to participate in Board of Trustee Meetings and express their opinions and concerns. In addition, Townships are the only unit of government to have a **mandated annual public meeting with popular participation** at which any citizen of the township can have the other citizens in the audience vote on policy and other matters.

As far as independent auditing, we do not rely on an internal audit conducted by staff. By law, townships that expend more than \$500,000 a year must have an annual audit prepared by an **outside CPA firm**. That report is filed with the State Treasurer and the County Clerk within six months of the end of the fiscal year and is available for public

review. Their contention does a disservice to independent audit firms who would not put their reputations and business on the line for any client.

4. Township Assessors in Cook County are all elected officials and are among only ones in the State of Illinois whose offices mandate certification. Here is an excerpt of state law:

(35 ILCS 200/2-45)

Sec. 2-45. Selection and eligibility of township and multi-township assessors.

(a) In all counties under township organization, township or multi-township assessors shall be qualified as required by subsections (b) through (d) of this Section and shall be elected as provided in this Code. Township or multi-township assessors shall enter upon their duties on January 1 following their election, and perform the duties of the office for 4 years...

- ... (1) a Certified Illinois Assessing Officer certificate from the Illinois Property Assessment Institute with current additional 30 class hours as required for additional compensation under Section 4-10;
- (2) (A) A Certified Illinois Assessing Officer certificate from the Illinois Property Assessment Institute with a minimum of 300 additional hours of successfully completed courses approved by the Department, if at least 150 of the course hours required a written examination; and
- (B) within the 4 years preceding the election, successful completion of at least 15 class hours of additional training in courses that must be approved by the Department, including but not limited to, assessment, appraisal, or computer courses, and that may be offered by accredited universities, colleges, or community colleges;
- (3) a Certified Assessment Evaluator designation from the International Association of Assessing Officers;
- (4) certification as a Member of the Appraisal Institute, Senior Real Estate Analyst, or Senior Real Property Appraiser from the Appraisal Institute or its predecessor organization; ~~or~~
- (5) a professional designation by any other appraisal or assessing association approved by the Department; or
- (6) if the person has served as a township or multi-township assessor for 12 years or more, a Certified Illinois Assessing Official certificate from the Illinois Property Assessment Institute with a minimum of 360 additional hours of successfully completed courses approved by the Department, if at least 180 of the course hours required a written examination.

Assessor Ranieri plays an integral role in the assessment process, that is:

1. Integral in the maintenance, updating and Accuracy of Township assessment information going to the Cook County Assessor
 - Maintenance of Zoning information and Sidwell maps for property location
 - Assistance with homeowner exemptions
 - Maintenance and update of the all important property record cards, a record of each Township property. These must be updated and information provided to the County Assessor, by date certain, before the triennial assessment process starts
2. Maintenance of sales transfer history
3. Maintenance of past real estate tax records
4. Answering assessment questions and the filing of appeals
5. Providing residents with preparation of Certificate of Error documents prior to Board of Review appeals
6. Involvement with property variances in municipalities

There are attachments following from other governmental entities (Cook County Assessor, Illinois Department of Revenue, etc.) that show what the Township assessor does. Assessor Ranieri has saved residents millions of dollars over the years in incorrect assessments and has been lauded for her work. She also was asked specific questions that she ably answered. You never heard them, simply because Chuck Goudie wanted to emphasize what many know; that the **Cook County Assessor is ultimately responsible for Assessments**. Many however, are involved in the assessment process.

Finally, there is the charge that townships create programs not mandated by law. This is true, as it is in many units of government. Particularly in the suburban Cook County area, township officials, whom are elected every four years, have created the “safety net” of social welfare programs. In our area, municipalities provide few social welfare programs, and apparently the number is diminishing as budget problems are forcing villages and cities to make significant budget cuts. We have had to make cuts and stretch our budget as the Township has not increased its levy during the tenure of the last three Supervisors; approximately ten years or so. Along those lines, the ABC/BGA alleged that townships were forcing people out of their homes. That is a scurrilous statement for Rich Township; borne out by the previous statement about tax levy increases. Townships account for approximately 3% of the real estate tax bill.

The one social welfare program mandated by law is the General Assistance program for those who receive no other benefits such as unemployment benefits, workmen compensation benefits, Social Security or Supplemental Social Security benefits. We currently have about 125 people, on average, receiving GA.

As stated before, if it were possible, the other “non-mandated” programs which would be eliminated by ABC/BGA would include the Rich Township Food Pantry, which serves about 1,500 people a month, the Rich Township Transportation Program which provides approximately 70,000 rides a year to seniors, the disabled, and GA, Medicaid, and

homeless clients, the Shirley J. Green Senior Center which provides health and wellness programs for our seniors, including the CNN meal site, our Meals on Wheels program for approximately 450 homebound seniors, our Senior Companion Program, which helps approximately 200 seniors to stay in their homes rather than be institutionalized, and the list goes on...

All of these programs have had extensive hearings, are part of the Budget and Appropriations process and the Tax Levy Process. Voters in Rich Township have time and time again supported these programs by electing officials supporting them. We have won Illinois Hometown awards for the Food Pantry, we have won awards for our Senior Center, PACE has cited us for our Transportation Department that recently won an Innovation, Coordination and Enhancement grant from the RTA for GIS based route scheduling, PACE Driver of the Year, Township Officials of Illinois "2008 Supervisor of the Year", and many other honors.

There were a number of South Suburban Township Supervisors referenced in the story. Rich Township Supervisor Al Riley was originally approached by a camera crew from ABC 7 at the Township Officials of Illinois Conference held in Springfield a few weeks ago. Supervisor Riley had just accepted the Township Officials of Illinois "2009 Township of the Year" award on behalf of Rich Township. He was approached by the camera crew saying that they "wanted to do a story" on Rich Township. One would think that it would be for the prestigious, statewide award. After a few general questions, the interviewer pulled out a sheet of paper and started asking other questions. The questions dealt with staff size, whether Road Districts and Township Assessor's offices were needed, cash on hand, and related. Supervisor Riley answered all of the questions and pointed out the misconceptions, fallacies and lack of understanding that the questions were based upon. He was interviewed for about ten minutes, but to date, only three cut-off sentences were used on the air. For example, Supervisor Riley explained GASB 34, a government accounting pronouncement that changed the way capital assets have to be reported. Non-knowledge of this would lead the uninitiated to think that the valuation of capital assets was indeed, cash. An accounting student knows this, one would assume that a TV station and an "investigative watchdog" group would know to make such a distinction before airing a program. This was a very irresponsible report, setting up ideas about Rich Township that are not true. One can have their differing opinions about Township government. There is also a responsibility to be objective and know what you are talking about, especially a so-called "investigative reporting" team. There are many objective studies done on the subject, notably one done by UIC recently. It is scientific, unbiased and objective. It deals primarily with social services delivery by units of government in the South Suburbs. It is neither critical nor complimentary of Township government, it is simply an analysis of an important subject. Honest public servants and the Residents of the Township were done a disservice with these stories. They were staged, snarky and mean-spirited as far as representing this Township.

Say what one will about other individuals or occurrences that they may have represented; Rich Township was done a disservice. It's time to clear the air and get the record straight. Ben Franklin once said, "Never argue with a man who buys his ink by the barrel". Sorry, Ben. You're wrong in this regard.

Sincerely,
Rich Township Board of Trustees

Role of Township Assessor per Illinois Property Tax Code

(35 ILCS 200/2-55)

Sec. 2-55. Role as ex-officio deputy assessors. In all townships in counties of 3,000,000 or more, in which township assessors are elected, the township assessors shall be ex-officio deputy assessors to make the assessments in the townships wherein they are elected but those ex-officio deputy assessors shall be under the direction and control of the county assessor in the same manner as other deputy assessors, subject to the rules and regulations prescribed by the county assessor and the board of appeals. The compensation and expenses of the township assessors shall be determined and paid as provided in Sections 2-70, 2-75, 2-80, 4-10, 4-15 and 4-20. If in any township the ex-officio deputy assessor is not able, within the time allowed by law or set by rules and regulations prescribed by the county assessor and the board of appeals, to make the assessment in the township, any additional deputy assessor or deputy assessors required to make the assessment shall be residents and legal voters of the township and may be appointed by the county assessor. For failure to complete the assessment and return the assessment books within the time prescribed by law or set by the rules and regulations of the county assessor and board of appeals, any township assessor may be removed from office by the order of the county assessor. All clerks and deputies shall take and subscribe an oath of office to honestly and faithfully perform all the duties of their respective offices under the direction of the county assessor. The county assessor, the clerks and deputy assessors, may administer oaths authorized by law to be administered by assessors. The number and compensation of the clerks and the deputies (other than the ex-officio deputies) shall be determined annually by the county board and shall be paid from the county treasury.

(Source: P.A. 83-121; 88-455.)