

MINUTES

December 4, 2007

TOWN OF THE CITY OF CHAMPAIGN SPECIAL STUDY SESSION

CALL TO ORDER: The meeting was called to order by Chairman Schweighart at 8:05 p.m.

BOARD MEMBERS PRESENT: Gina Jackson Michael La Due Vic McIntosh Ken Pirok
Tom Bruno Marci Dodds
Deborah Feinen Karen Foster
Chairman Schweighart

BOARD MEMBERS ABSENT:None

OTHERS PRESENT: Brian Christie, Township Assessor
Trisha A. Crowley, Deputy Township Attorney

PROPERTY TAX ASSESSMENTS:

Deputy Attorney Crowley noted she would provide information regarding the property tax assessment process; Assessor Christie would provide information about what the assessor does and how assessments are completed; then information will be provided regarding the property tax assessment appeal process.

Deputy Attorney Crowley provided background information concerning the property tax assessment process noting the Illinois Department of Revenue (IDOR) provides information via their web site and through a publication titled "The Illinois Property Tax System: A General Guide to the Local Property Tax Cycle". The following issues were noted regarding the tax cycle:

- Property Assessment Administration Cycle - a twenty-two month process from the beginning of assessments to the tax sale, which begins in January and ends October/November of the following year. Officials address two different years at the same time because of the cycle.
- Assessment Books - Officials can only make changes to the record during the time he/she has the books (Assessor, Supervisor, then Board of Review (BOR)). Only during certain times of the year can changes be made or action taken.
- Valuation Dates - Assessors obtain books from the County just prior to January, and the valuation date is January 1. Taxes paid in May 2008 are based on a property valuation of January 2007.
- January 1 through January 15, Township Assessor enters new property records, and completes revaluations of older property. All year long information is collected and studies are made of properties, but changes can only be made during January - April.
- April 15 through June 1, the County Supervisor has control of the books and completes various tasks including notice concerning any actions taken by the Assessor. Champaign County is one of three counties in the state to send tax bills on time because the assessment process is on time.
- June 1 the books go to the County Board of Review.
- Notice of Tax Assessment - Sent after the Township Assessor makes changes (January - April) to those properties where a change was made.
- Appeals - Filed, regardless of Assessment notice, between July 1 and September 10 based on

assessment of that year, while the Board of Review is in session. The assessment complaint is for the year following the year your tax bill is based on. The process is out of synch with the natural time for a tax payer to take action, and is designed around a paper process from the 18th century with a goal to finalize the assessments. Once finalized, before tax bills are produced, you do not go back. BOR decides appeals, reviews exemptions, and applies the Township multipliers called equalization factors. These factors are based on three years of data for the entire Township.

- Assessment Process –there are approximately 77,000 parcels in the County with approximately 23,000 (1/3) in City of Champaign Township. The BOR reviews each individual complaint. In 2005, there were 1,060 assessment complaints with 321 from City of Champaign Township, and 182 reduced. In 2006, there were 953 complaints with 307 for City of Champaign Township, and 203 reduced. In 2007, there were 1400 complaints with 261 from the City of Champaign Township.

Township Assessor Christie briefly provided information regarding how the assessment process works for a particular parcel, noting property information is maintained on a property record card. The property record card contains the following information:

- Tax bill mailing info
- Property Address
- Lot size
- Record of sales/transactions
- Issuance of building permits –additions, garages, etc.
- Summary of assessed value over time, including all changes
- Main property information is obtained from building permits issued by the City of Champaign including property measurements. For new properties, several visits are made to verify construction information such as number of baths, fireplaces, decks, porches, garage to living space, etc. The IDOR computer program tracks information as to whether the property is on a basement or crawl space; central air conditioning; plumbing – verified against standard plumbing from the Illinois Cost Manual (five fixtures); attic –permanent stair case finished or unfinished; garage with living space above; brick trim or totally bricked; framed; type of construction; porches (open/enclosed); age of property; condition, desirability and utility (CDU) involves opinion of value; grade is a quality grade (most are c, new construction ranges from a to b).

Deputy Attorney Crowley and Assessor Christie conducted a question/answer session regarding the following:

- How is property information used to create an assessment? (Info is input into the Illinois Computer Assisted Appraisal System, provided by IDOR, which generates new sales info that is one year old and calculates a cost factor, to adjust the cost manual that can be used all over the state. All the property components are priced out and a market value is provided, adjusted by sales in a particular neighborhood.)
- What is the concept of mass appraisal? (System used by assessors in Illinois. Assessors appraise a vast number of properties (500-1,500). Assessors do not typically complete individual appraisals, rather neighborhoods, cities, or entire townships at a time. Champaign has 46 neighborhoods that are assessed based on boundaries established for those neighborhoods. Map of the neighborhoods were shown.)
- How do neighborhood factors come into play? (Neighborhood factors are derived by sales studies (three year study), comparing assessed values to what properties sell for in a neighborhood. The median level of a neighborhood is compared to other neighborhoods in the City.)
- Whether the sales price of a property is used in the assessment of a home? (Not on an individual basis. Individual assessment is not allowed by law.)
- Are individual homes reassessed? (Yes, when sales info reflects the homes in a neighborhood)

are under/over assessed and the Assessor is in possession of the books; or if there is a factual mistake such as with square footage, finished basement, etc.)

- How changes are determined for an older home, and how does the assessor adjust for those changes? (Through building permits reflecting a change; or when a property sales and the value is not reflective of the sales info.)
- Country Club neighborhood assessments, describe what issues this raises and how addressed? (Sales info, look at how assessments are misjudged – consider measurements/size of the property; then looking at grading value of the property. Use sold MLS books to find info on the property. Look at sales study info, outliers-properties assessed below or above their value. Can not determine price or internal improvements.)
- Are internal property assessments completed once a property is sold? (No)
- Appeal process –Only taken June 15-September 10, and they will not affect the current tax bill but next years’ bill. Helpful info regarding how an appeal is done is available on the web. Lake County was noted as an example.)
- Reasons for an appeal 1: If the Fair Market Value (FMV) is higher than assessed (via recent sales info), then the BOR allows individual decisions on property based on info presented, and an appraisal can be done 2: When your assessment is not uniform or comparable to other assessments of comparable property.

Township Board Members’ Technical Questions:

- How are neighborhood boundaries determined? (Map drawn years ago and has been unchanged. Factors include physical boundaries, major streets, railroad tracks, look for similarity of age of properties, and similarity to other homes in the area. Areas are generally not redrawn unless an area has had major changes. Some areas have not been mapped because they are too new and not enough information or comparables have been obtained.)
- How assessments are determined for new areas such as Taylor Thomas and Douglass Square, and infihl programs? (New homes will be placed with comparable homes.)
- Number of assessments, and how assessments are changed? (Re-evaluation notices have been done since 2002 when property values were increasing. Most areas have been revalued 3-4 times in the past couple of years. Sales studies are done in all areas, compared to other areas, and to the Township as a whole. If valued at 33 1/3, according to sales study, nothing will be done to that neighborhood. The Assessor can not arbitrarily raise assessment values on individual property.)
- Whether turnover affects home values? (Not generally, sales information is what is pertinent and those with high turnover have more information to assess.)
- Who sets the guidelines on how assessment work is done? (Illinois property tax code.)
- How the tax code assessment system can be changed? (Change would have to be done via the Legislature. City of Champaign Township coefficient of dispersion . which looks at how close sales are to assessment, or how often high or low is one of the lowest; and is reviewed by the IDOR.)

Public Input:

One member of the public expressed concern with the inequity of the assessment process in some areas of the community versus others.

Township Board Members’ Comments:

- Affect of interior home improvements on the assessed value of a home.
- Plotting of homes in prosperous, historic areas, and new subdivisions.
- Township Members thanked the Township Assessor for providing the information.

Adjournment:

Board Member Jackson, seconded by Board Member McIntosh, moved to adjourn. A voice vote was taken on the motion to adjourn; all voted yes. Motion carried.

The meeting adjourned at 8:59 p.m.
Marilyn L. Banks
Town Clerk