Counties awaiting federal declarations

FEMA currently doing damage assessments in counties further south

by Kevin Rund

Just over three months ago the US Army Corps of Engineers was finishing up work to remove rock pinnacles to accommodate barges during near record low flows on the Middle Mississippi River. Last month, counties were fighting near record highs on the Mississippi and new record highs at a number of locations on the Illinois.

Even away from the major rivers there were problems. In DuPage County, more than 9,000 homes suffered flood damage. Eastern counties, too, were affected.

Based on this 2013 flood, Governor Quinn has declared 44 Illinois counties as disaster areas. Then it’s up to FEMA to do their inspections before determining whether the counties are eligible for a federal declaration.

Do date, only 11 of those counties have received that federal disaster declaration. Those include Cook, DeKalb, DuPage, Fulton, Grundy, Kane, Kendall, Lake, LaSalle, McHenry and Will counties. All are in the northern reaches of the state where floodwater receded earlier—except for Fulton that somehow slipped into that mix.

IEMA and FEMA personnel conducted flood damage assessments last week in the middle reaches of the Illinois River in Peoria and nearby counties. They will be conducting assessments this week further south along the river (See Flood on page 5)

Bond provides double-barreled action, mystery and intrigue

No, it’s not a spy story, but stealth and sleuthing are involved

by Kevin Rund

British secret service agent 007 would introduce himself as: “My name is Bond, James Bond.” But not all bonds are so simply named. The bonds that came up in a recent conversation with DeAnne Bloomberg, manager at Rock Island County Farm Bureau®, help to make my point.

What is an alternative bond? That was the query. After more than 30 years of chasing down answers to questions on local government, I was a little surprised to hear a term that I’d not run across before—at least one that I didn’t remember having heard, much less understood. So I set out to unravel that nomenclature.

Turns out, an “alternative bond” is officially known as an “alternate bond”, which in turn can be found under the statutory heading of “double-barreled bond”. But that leaves a mystery cloaked in an enigma. It takes a little (See Bond on page 6)
Save the Date

Illinois Farm Bureau to host AFBF Rural Development Conference

by Brenda Matherly

On September 10-12, 2013, Illinois Farm Bureau® (IFB®) will host a Rural Development Conference sponsored by the American Farm Bureau Federation® (AFBF®.)

This conference is sponsored biannually by AFBF and hosted by state Farm Bureaus around the country. As the host state this year, IFB will focus on initiatives and activities that bolster rural economic development and provide value-added opportunities for agriculture happening around the State. By highlighting these programs, IFB hopes to encourage other state Farm Bureau staff to consider similar initiatives in their state. In addition, other state Farm Bureau staff will share rural development opportunities in their communities.

The three-day event will include two half days (Sept. 10 and Sept. 12) of speakers discussing rural development topics and one full day touring rural development and value-added businesses in central Illinois.

County Farm Bureau® (CFB®) staff is invited to attend on the workshop days – Sept. 10 and Sept. 12. CFB staff is also welcome to join us at any of the tour sites. However, due to limited space on the bus, travel will only be provided to our out-of-state guests.

Meeting and tour times and locations will be finalized as we get closer to the conference – so stay tuned!

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REDLG—rural economic development loan & grant

Utilities have a hand in distribution process

Source: USDA Rural Development

Is your community interested in receiving assistance for rural development opportunities that might include business startup costs, business expansion, business incubators, technical assistance feasibility studies, advanced telecommunications services and computer networks for medical, educational, and job training services and community facilities projects for economic development?

In an effort to promote rural economic development and job creation projects, the Rural Economic Development Loan and Grant (REDLG) program was created.

The program provides funding to rural projects through local utility organizations. Under the Rural Economic Development Loan (REDLoan) program, USDA provides zero interest loans to local utilities which they, in turn, pass through to local businesses for projects that will create and retain employment in rural areas. The ultimate recipients repay the lending utility directly. The utility is responsible for repayment to the Agency.

Under the Rural Economic Development Grant (REDGrant) program, USDA provides grant funds to local utility organizations which use the funding to establish revolving loan funds. Loans are made from the revolving loan fund to projects that will create or retain rural jobs. When the revolving loan fund is terminated, the grant is repaid to the Agency.

Who is eligible?

To receive funding under the REDLG program (which will be forwarded to selected eligible projects) an entity must:

- Have borrowed and repaid or pre-paid an insured, direct, or guaranteed loan received under the Rural Electrification Act or,
- Be a not-for-profit utility that is eligible to receive assistance from the Rural Development Electric or Telecommunication Program
- Be a current Rural Development Electric or Telecommunication Programs Borrower

What types of projects are eligible?

REDLG grantees and borrowers pass the funding on to eligible projects. Examples of eligible projects include:

- Capitalization of revolving loan funds
- Technical assistance in conjunction with projects funded under a zero interest REDLoan
- Business Incubators
- Community Development Assistance to non-profits and public bodies (particularly job creation or enhancement)
- Facilities and equipment for education and training for rural residents to facilitate economic development
- Facilities and equipment for medical care to rural residents
- Telecommunications/computer networks for distance learning or long distance medical care

(See REDLG on page 3)
Governor’s Hometown Awards
Now’s your chance to recognize the hard work & dedication of volunteers in your community

by Brenda Matherly

Do you know a group or individual in your community volunteering their time and efforts to help that community thrive? If so, now’s your chance to recognize their hard work.

Governor Pat Quinn is encouraging communities, large and small, to submit an application for the 2013 Governor’s Hometown Awards. This is a program that, for 31 years, has recognized volunteer efforts to improve Illinois communities. As part of the Governor’s commitment to honor volunteer service and community improvement across the state, applicants will be selected for the award, based on population, in six project category:

1. Service and mentorship
2. Beautification and sustainability
3. Parks and recreation
4. Memorials and monuments
5. History and historic preservation
6. General projects

The deadline for submitting an application is July 15.

Once the applications are in, a group of volunteer judges will evaluate the candidates. Their decisions will be based, in part, on need, use of resources and impact to the community. Not only will the judges select award winners for each category, they will also nominate one project from each population division to receive the coveted Governor’s Cup. This award is a traveling trophy presented to the project that most represents the spirit of Illinois volunteerism.

Applications for the Governor’s Hometown Awards may be submitted by local governments, schools, youth groups, community organizations, chambers of commerce, community action agencies, job training organizations, or other local entities.

If you would like to help recognize people who are giving back to their communities and helping build a stronger Illinois, contact the Illinois Department of Commerce and Economic Opportunity or visit their website for additional details and a copy of the applications form at www.ildceo.net/HometownAwards.

Attend the 2013 Illinois Leadership Conference!

Source: Illinois Rural Partners

This conference is designed for anyone in a leadership position in a community or organization, serving on a board of directors, working on community projects or with committees, and seeking to manage and lead more effectively.

This year, the conference will focus on managing generational differences, plus there are great breakout sessions on practical topics such as involving youth in community leadership roles, perspectives from Illinois elected officials, encouraging local engagement, and a community development clinic to highlight the resources and contacts you need for community projects.

The conference will be held on June 6 at the Decatur Hotel and Conference Center, Decatur, IL. The cost to attend is $75, and includes refreshment breaks, lunch, and all materials. Scholarships and CEUs are available. For more information, contact Anne Heinze Silvis, University of Illinois Extension, at asilvis@illinois.edu.
County Farmland Assessment Review Committee
Keep an eye out for meetings in your county

by Brenda Matherly

On May 1, the Illinois Department of Revenue (IDOR) published the 2014 farmland Equalized Assessed Values (EAVs) for all Productivity Indices (PI). These values, used to calculate taxes payable in 2015, are certified at 10 percent higher than the 2013 values.

With the values released to each county, you can expect your Chief County Assessment Officer (CCAO) to schedule a meeting of the County Farmland Assessment Review Committee. This meeting is open to the public and should be publicized in the legal notice section of your local newspaper. Many counties will hold this meeting in early June.

Keep an eye out for committee meetings in your county. This is a valuable resource for better understanding the farmland assessment practices in your county and on your property.

Under the Farmland Assessment Act, a Farmland Assessment Review Committee should be established in each county in Illinois. This committee is, by statutory definition, a five member committee made up of the CCAO, who serves as the chair. The second member is the chair of the county board of review or another board member appointed by that chair. The remaining three members are farmers from the county. Any farm owner or operator may serve as a farmer-member on the committee.

The primary purpose of this committee is to advise the CCAO on the interpretation and application of the State-certified farmland values, guidelines and the implementation of statutory requirements. If the committee feels the CCAO’s proposed plan does not meet statutory intent, they can suggest an alternative. The alternative plan must be submitted to IDOR by August 1 for its consideration.

The committee is also responsible for reviewing the values certified to the county by the IDOR. They have the option of suggesting more appropriate data if they feel the values are not suitable with the current conditions in the county. The committee must present those alternatives to IDOR with supporting documentation by August 1.

The IDOR has 30 days to rule on the alternatives suggested by the committee. If IDOR is in agreement with the County Farmland Assessment Review Committee, they will direct the CCAO to implement their ruling. If IDOR is not in agreement, the County Farmland Assessment Review Committee has 30 days to appeal IDOR’s ruling to the Illinois Property Tax Appeal Board. The Property Tax Appeal Board’s ruling is final.

If the committee agrees with the initial procedures proposed by the CCAO and the values certified by IDOR, it is their responsibility to hold a public hearing on this information. Following the public hearing, with no objections from the committee, the CCAO shall proceed with the farmland assessment process.

Township Officials
New Terms of Office Have Begun

Source: Township Perspective

For the township officials elected April 9, 2013, their respective terms of office began as follows:

Supervisor – Third Monday in May (May 20, 2013)
Clerk - Third Monday in May (May 20, 2013)
Trustees - Third Monday in May (May 20, 2013)
Highway Commissioner - Third Monday in May (May 20, 2013)
Assessor/Multi-Township Assessor – January 1, 2014
Collector (if applicable) – January 1, 2014
Property tax relief law expanded

Increase in deductions on its way for senior citizens

By Brenda Matherly

On April 23, Governor Pat Quinn signed SB 1894, which will increase an exemption in the assessed value of property for seniors across Illinois. Sponsored by Senator Toi Hutchinson (D-Olympia Fields) and Representative John Bradley (D-Marion), SB 1894 increases the Senior Homestead Exemption – designed to serve as a property tax break for Illinois seniors age 65 and older.

Seniors will see an increase from $4,000 to $5,000 in the exemption amount allowed for their residence. Seniors in Cook County will have the increase applied to their taxable year 2012 taxes, due in 2013. All other counties will benefit from the increase beginning next year.

So how does this work? The property tax code in Illinois allows for an exemption in the assessed value of residential property for senior citizens 65 years or older. This exemption is known as the Senior Citizens Homestead Exemption. This exemption is granted for property that is occupied as a residence by a person 65 years or older and who is responsible for paying taxes on that property.

The exemption amount has increased since the passage of this law. Before taxable year 2004, the maximum reduction allowed was $2500 in Cook County and $2000 in all other counties. Following taxable year 2004, the exemption amount increased until reaching a maximum deduction of $4000 from taxable year 2008 through 2011. With the passage and signing of SB 1894 most of the state will see that increase to $5000 in 2013. Cook County will see the increase for taxes payable in 2013.

If you’re wondering why Cook County gets a “head start,” it’s likely because as of the signing of this bill into law, Cook County has not yet sent out its tax bills for 2012. Other counties around that state are well into their billing process for 2012 making it unreasonable to apply the new law in those counties.

A person who will be turning 65 during the current assessment year is eligible to apply for the homestead exemption during that year. An application can be requested from your County Assessment Supervisor of Assessments office.

In Cook County, the law requires a taxpayer to reapply every year. In all other counties, the county board may pass a resolution that states a person that has been granted a homestead exemption, need not reapply to receive the exemption from one year to the next.

In addition to increasing the exemption amount for seniors, this bill also raises the general homestead exemption for Cook County starting next year. Originally phased-in over three years, Cook County’s Alternative General Homestead Exemption was designed to limit yearly increases and assessments on residential property. Cook County currently has a seven percent exemption cap, while the rest of the state maintains a flat exemption rate of $6,000. The new law moves Cook County to a flat exemption rate of $7,000 beginning taxable year 2012.

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Senior Citizens Homestead Exemption: How to apply if you qualify

This exemption is given to homeowners 65 years or older regardless of income. The homeowner needs to be 65 years or older. However, they do not have to be 65 years old at the time of application, provided they will turn 65 during the taxable year.

Filing requirements will vary by county; some counties require an initial application, form PTAX-324, Application for Senior Citizens Homestead Exemption. Some counties will also require an annual renewal application, form PTAX-329, Certificate of Status - Senior Citizens Homestead Exemption. Both application forms can be received from your county Supervisor of Assessments office.

Flood

(Continued from page 1)

in Calhoun, Greene, Jersey and other counties nearby.

There is no standardized timeframe for reaching a decision on the declaration, so no prediction on when residents might know.

FEMA is currently establishing regional Disaster Field Offices. Once those are set up, contact information will be announced.

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Double-barreled Bonds
(30 ILCS 350/15)
Sec. 15. Double-barreled bonds. (Sic)
Whenever revenue bonds have been authorized to be issued pursuant to applicable law or whenever there exists for a governmental unit a revenue source, the procedures set forth in this Section may be used by a governing body. General obligation bonds may be issued in lieu of such revenue bonds as authorized, and general obligation bonds may be issued payable from any revenue source. Such general obligation bonds may be referred to as "alternate bonds". Alternate bonds may be issued without any referendum or backdoor referendum except as provided in this Section, upon the terms provided in Section 10 of this Act without reference to other provisions of law, but only upon the conditions provided in this Section. Alternate bonds shall not be regarded as or included in any computation of indebtedness for the purpose of any statutory provision or limitation except as expressly provided in this Section.

Such conditions are:
(a) Alternate bonds shall be issued for a lawful corporate purpose. If issued in lieu of revenue bonds, alternate bonds shall be issued for the purposes for which such revenue bonds shall have been authorized. If issued payable from a revenue is limited in its purposes or applications, then the alternate bonds shall be issued only for such limited purposes or applications. Alternate bonds may be issued payable from either enterprise revenues or revenue sources, or both.

For the complete Act, click here.

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Bond

(Continued from page 1)
more sleuthing, but eventually the puzzle is cleared up when the statute dubs that same bond with yet another name—this time a familiar one. Turns out, a “double-barreled bond” is an “alternate bond” that is a particular type of “general obligation bond.”

So now that we have all three names linked, how does an alternate bond work? The statute itself does the most thorough—and a relatively clear—job of explaining those ins and outs (see sidebar), but here’s a summary.

It might help to explain this by coming at it another way. A general obligation bond can be issued by a local governmental unit as an alternative to a revenue bond.

Yes, that’s yet another name, but it’s a different animal this time. Generally, revenue bonds are issued with the intent of servicing the debt from enterprise revenues, those derived from a utility or other government-held, revenue-producing enterprise (such as fees, rent, ticket sales, etc.) However, the governmental unit might instead issue an alternate bond.

Under terms of an alternate bond, the governmental unit could still use the revenue stream to service that debt, but if those revenues fall short of expectations, it can also resort to property taxes to make up for any shortfall. The dual capability of servicing these alternative (general obligation) bonds is likely what inspired the bond’s other alias, “double-barreled bonds.”

A referendum is not required to issue an alternate bond, but the issuance is subject to backdoor referendum. Voters may petition to have the question of whether to issue the bond placed on the ballot. That petition process currently requires that the completed petition be filed within 30 days of passage of the ordinance establishing the bond. It also sets the minimum number of voters that are required to sign the petition.

However, that process could soon be changed. State Representative David McSweeney (R-52) has introduce a bill—HB0983—that would make it easier for voters to pass a petition forcing a back door referendum. (See sidebar.)

Though the mystery of the nomenclature is solved, there’s still a certain covert nature to the whole thing. Essentially, using this approach, a unit of government is able to issue a bond—without voter approval—allowing the unit to tax property owners “without limitation as to rate or amount” in order to service that bond. That’s very Cloak and Dagger-ish, even without the mysterious nomenclature.

LINK

"Alternate bonds" means bonds issued in lieu of revenue bonds or payable from a revenue source as provided in (this Act.)

"General obligation bonds" means bonds of a governmental unit for the payment of which the governmental unit is empowered to levy ad valorem property taxes upon all taxable property in a governmental unit without limitation as to rate or amount.