



OFFICE OF THE ASSESSOR
COOK COUNTY ILLINOIS
CHICAGO 60602

JOSEPH BERRIOS
ASSESSOR

October 19, 2016

It has been my pleasure to achieve the goals of increased performance, cost-effectiveness and other improvements in the Cook County Assessor's Office (CCAO) since I began here nearly six years ago. While many responsibilities of the Office and the specific work it does have not changed, we remain committed to developing new initiatives which better serve all taxpayers, Cook County and numerous other taxing bodies.

After a period of dramatic change, I can say with complete confidence that CCAO is stronger now than ever before in taxpayer service, technology and community outreach. Further, we continue to advance legislative initiatives, work with municipalities and reap the benefits of having refined the assessment cycle. We have sent the tax bills out by the statutory due date for six straight years, and are on track again for the 2016 year, after 34 years in which this did not occur.

During my tenure, fiscal responsibility has remained a priority, in 2010, I inherited an agency with 380 employees; we now have 334. However, decreased spending has not decreased our service, thanks to hard work by CCAO staff. In fact, productivity has *increased*; waiting time is low, appeals are handled quickly and community outreach has climbed to new heights with 145 events helping thousands of citizens in the past year.

The Erroneous Exemption Department, including the initial amnesty payment period, was allowed by law to officially begin billing in March 2014. In a mere two-and-a-half years, the unit has billed \$38,795,128.00 and is pursuing an additional outstanding billed \$10,804,241.00. The unit has recorded 585 liens totaling \$3,919,107.00 while collecting interest at 1 ½ percent a month. We are currently pursuing the outstanding remaining balance of \$6,885,134.00. The Erroneous Unit has recovered in two-and-a-half years \$27,990,887.00 dollars to date. The unit is comprised of only 11 people, including just six investigators and it is more than self-sustaining. It values highly my commitment to returning this recovered money to the original taxing bodies and takes great pride in doing so.

The County Commissioners, municipalities, educational institutions, civic groups, homeowners associations and countless religious and other non-governmental organizations know the Cook County Assessor's Office will always collaborate with them. This is a major part of my effort and forms the foundation of everything we do, with the best interests of Cook County and the State of Illinois in mind.

Included with this letter is a detailed breakdown of my office's recent accomplishments. As our budget has either decreased or been relatively static, your support has been clear. I thank you for that and hope to also have your support in the future. I intend to continue moving the Cook County Assessor's Office forward, always forward.

Sincerely,

Joseph Berrios
Cook County Assessor



FY 2017 BUREAU ACCOUNT SUMMARY **ASSESSOR**

Account Description	Curr. Exp.**	2016** Adopted	2016** Adjusted	Request	Difference*	Inc(Dec)%
110/501010 Sal & Wgs Of Reg Employees	\$12,683,316	\$21,321,392	\$21,147,132	\$20,106,060	\$(1,041,072)	(4.9)%
120/501210 Overtime Compensation	22,843	125,000	124,563	100,000	(24,563)	(19.7)%
170/501510 Mandatory Medicare Cost	182,483	312,006	310,848	292,989	(17,859)	(5.7)%
172/501540 Worker's Compensation	-	-	-	131,394	131,394	0.0 %
175/501590 Group Life Insurance	-	-	-	31,625	31,625	0.0 %
176/501610 Group Health Insurance	-	-	-	2,864,779	2,864,779	0.0 %
177/501640 Group Dental Insurance	-	-	-	106,225	106,225	0.0 %
178/501660 Unemployment Compensation	-	-	-	12,978	12,978	0.0 %
179/501690 Vision Care	-	-	-	33,134	33,134	0.0 %
181/501715 Group Pharmacy Insurance	-	-	-	888,707	888,707	0.0 %
185/501810 Prof & Tech Membership Fees	8,638	25,000	24,986	25,000	14	0.1 %
186/501860 Training Programs for Staff Persnl	2,530	60,000	59,794	60,000	206	0.3 %
190/501970 Transpt & Other Travel Exp.-Empls	6,352	50,000	49,832	50,000	168	0.3 %
220/520150 Communication Services	3,212	10,226	9,647	6,340	(3,307)	(34.3)%
225/520260 Postage	2,380	1,000,000	939,865	700,000	(239,865)	(25.5)%
228/520280 Delivery Services	-	1,000	1,000	1,000		0.0 %
240/520490 Ext. Graphics and Repro Services	258,051	320,000	303,248	300,000	(3,248)	(1.1)%
241/520491 Int. Graphics and Repro Services	302	16,000	16,000	10,000	(6,000)	(37.5)%
242/520550 Surveys, Operations & Reports	5,258	10,000	9,482	10,000	518	5.5 %
245/520610 Advertising For Specific Purposes	715,320	800,000	758,540	900,000	141,460	18.6 %
246/520650 Imaging & Microfilming Records	-	1,000	939	500	(439)	(46.8)%
260/520830 Professional & Mgrl Services	601,042	950,000	950,000	300,000	(650,000)	(68.4)%
350/530600 Office Supplies	20,597	141,550	133,291	116,550	(16,741)	(12.6)%
353/530640 Bks, Periodcls, Publcts & Data Svcs	120,583	125,419	125,419	130,000	4,581	3.7 %
353/530675 County Wide Lexis-Nexis Contract	-	-	-	2,204	2,204	0.0 %
388/531650 Computer Operation Supplies	17,750	100,000	94,215	335,000	240,785	255.6 %
440/540130 Maint & Repair of Office Equip	1,820	5,000	5,000	5,000		0.0 %
441/540170 Maint & Repair of Data Prcng Equip	107,538	300,000	288,148	369,227	81,079	28.1 %
444/540250 Operation,Maint & Rep of Auto Equip	-	1,000	930	1,000	70	7.5 %
445/540290 Operation of Auto Equip	163	20,000	18,622	10,000	(8,622)	(46.3)%
461/540370 Maintenance of Facilities	-	1,000	930	1,000	70	7.5 %
630/550010 Office Equipment Rental	72,841	122,841	122,841	50,000	(72,841)	(59.3)%
630/550018 County Wide Photocopier Lease	-	-	-	78,368	78,368	0.0 %
660/550130 Facilities Rental	500	2,000	2,000	50,000	48,000	2400.0 %
819/580420 Approp Trans For Rembsmt Frm Desgntd Fnd	(47,275)	(1,173,003)	(1,173,003)	(1,319,323)	(146,320)	12.5 %
Bureau Operating Total:	\$14,786,244	\$24,647,431	\$24,324,269	\$26,759,757	\$2,435,488	10.0%

*Difference = Request- FY2016Adjusted

**Reflects Original Appropriation column in Appropriation Trial Balance

FY 2017 BUREAU ACCOUNT SUMMARY **ASSESSOR**

Account Description	Curr. Exp.**	2016**	2016**	Request	Difference*	Inc(Dec)%
		Adopted	Adjusted			
Capital Items:	0	-	-	1,172,000	1,172,000	0.0%
Bureau Grand Total:	\$14,786,244	\$24,647,431	\$24,324,269	\$27,931,757	\$3,607,488	14.8%

*Difference = Request- FY2016Adjusted

**Reflects Original Appropriation column in Appropriation Trial Balance

2017 Budget Narrative

Department Overview
040 County Assessor

Mission

The mission of the Cook County Assessor's Office is to serve the public both professionally and responsibly by establishing uniform and accurate property assessments. Assessed values are set on real estate as a basis for levying taxes and determining the distribution of property tax levies among taxpayers.

Mandates and Key Activities

- As part of the Valuation and Appeal Process, the County Assessor follows and enforces state and county laws and ordinances:

Classification of Property	35 ILCS 200/9-150
Classification Ordinance	Cook County Code of Ordinances, Chap. 74, Art. II, Div. 1, Sec.74-31 <i>et seq.</i> and Div. 2, Sec.74-60 <i>et seq.</i>
Assessment by Districts	35 ILCS 200/9-220
Omitted Property	35 ILCS 200/9-260, 9-270
Publication of Assessments	35 ILCS 200/12-20
Assessment Notices of Increases	35 ILCS 200/12-55
Certificates of Correction	35 ILCS 200/14-10
Certificates of Error	35 ILCS 200/14-15
Revision of Assessments	35 ILCS 200/14-35
Valuation of Particular Types of Property	35 ILCS 200/10-5 thru 10-620

- The County Assessor provides taxpayer assistance via the review, processing, and administration of Exemptions through the following ordinances and laws*:

Disabled Veterans	35 ILCS 200/15-165
Returning Veterans Homestead	35 ILCS 200/15-167
Disabled Persons Homestead	35 ILCS 200/15-168
Disabled Veterans Standard Homestead	35 ILCS 200/15-169
Senior Citizens Homestead	35 ILCS 200/15-170
Senior Citizens Assessment Freeze	35 ILCS 200/15-172
General Homestead	35 ILCS 200/15-175
Alternate General Homestead	35 ILCS 200/15-176
Long-time Occupant Homestead	35 ILCS 200/15-177

*(This role includes significant outreach, communications, and religious exemption programs as well as responding to thousands of taxpayer inquiries and certificates of error.)

- The County Assessor enforces the Erroneous Exemptions legislation (35 ILCS 200/9-275), designed to target property owners who erroneously received property tax exemptions.

- Some 125 or more community outreach seminars on the tax appeal process are sponsored annually by the office.

Discussion of 2016 Activities and 2017 Initiatives

Assessor Joseph Berrios is committed to completing the yearly assessment cycle as soon as possible in order to provide taxpayers the opportunity to receive their tax bills by the statutorily mandated dates. Prior to 2011, this had not been done in 34 years. Since 2011 tax bills have been on time. The CCAO has promptly completed its work over the past 5 years so that since 2012 second installment tax bills have met the August 1st. This consistent effort has resulted in the savings of millions of dollars for taxing bodies and has restored consistency, continuity, and predictability to the annual tax assessment cycle.

Since 2014 the CCAO has been fully implementing enforcement of the Erroneous Exemption legislation. Through June 30, 2016, about \$15,570,000 have been recovered from erroneous exemptions and another \$9,600,000 have been billed (of which liens amounting in \$3,612,460 have been levied, drawing interest at 1.5% per month). This legislation ends abuse of existing erroneous Homestead exemptions; stops future abuse of homestead exemptions; and recoups lost tax district revenue for schools and municipalities.

The CCAO's appeals process has been reinvigorated resulting in a dramatic increase in filings.

- The 397,778 parcels appealed during the 2012 City Triennial reassessment was the highest number in 12 years. It was then surpassed by the 443,353 appealed during the 2015 City of Chicago reassessment, an 11.5% increase. For the 2016 North Triennial appeals are projected at 382,115 which is a 15% increase over 2013. The 253,985 parcels appealed in the 2014 South Triennial was a 17% increase over 2011.
- 30-35% of residential filings have been on-line consistently since the 2012 reassessment and the trend continues for 2016 and 2017.
- There has been a marked increase in the appeals success rate for both residential and commercial property

The CCAO's current administration understands the importance of collaboration with different branches and municipalities in government, educational institutions, civic groups, and non-governmental organizations (NGO's). Since 2011 the CCAO has developed valuation research partnerships with DePaul University, Columbia College, IIT, and the MacArthur Foundation. The CCAO has worked with IIT in order to provide fellowship experience to participants in the Chinese Student Exchange Program and has secured UIC graduate interns for its aircraft noise study. Policy and information exchange programs with the Pew Charitable Trusts, the cities of New York and Vancouver (Washington), Broward County, Miami-Dade County, and Osceola County Florida and Berrien County, Michigan, as well as the Russian Federation, Ontario Provincial Government, and assessing officials in Indonesia have been at the forefront of the CCAO's expanded cooperation and partnership initiative. The Assessor believes helping to prepare Cook County's youth for future employment is extremely important. The CCAO has partnered with the Chicago Public Schools (CPS) (and its Summer Debate League, Academic Decathlon and Summer Career Readiness Programs) Youth Outreach Services, Chicago Summer Business Institute, and various local high schools to create a summer internship program within the office. The CCAO has also entered into a collaborative working relationship with BOMA, Chicago Real Estate Investment Association, Commercial Forum of Chicago, Illinois Realtors Association, ISBA, CBA, and IICLE. The office continues to improve its website.

Securing and expanding the affordable housing stock and promoting a logical and functional green building and renovation program in Cook County are of the utmost importance to the CCAO. Working alongside the Community Investment Corporation (CIC), the Center for Neighborhood Technology (CNT), the City of Chicago, DePaul University, Institute of Housing Studies, Mercy Homes, The Community Rehab Network, The Martin Luther King Legacy Apartments, and the Illinois Housing Development Authority (IHDA), the CCAO seeks to aid in developing wide reaching green and affordable housing programs. The aforementioned partnerships have allowed the CCAO to tap into varied pools of knowledge and extract data, build new valuation tools and models, and trade input on important policy matters. Since 2014 the CCAO implemented permanent improvements and enhancements to its residential valuation process with the assistance of a Mac Arthur Foundation grant provided to various consultants.

The CCAO understands that the need for affordable housing options are also increasing throughout Cook County. Thus the CCAO is proactively working to create new tools and policies that will aid in the development of more affordable housing countywide. The CCAO is also actively involved in legislative efforts designed to stabilize the value of the Class 9 program (a current CCAO affordable housing incentive) and increase the number of affordable housing units in Cook County. In 2015 CCAO released its corresponding "White Paper" with continuing study in 2016-2017.

The Office has partnered with the Illinois Department of Revenue and the Illinois Department of Veterans Affairs to improve the disabled veteran's exemption program. New legislation was advanced in the 2014 veto session and again in 2015, resulting in the successful enactment of SB 107. Implementation of this legislation will continue in 2017.

S.T.A.R Goals/Key Performance Indicators

- ❖ Providing timely assessment: Under the current administration, the CCAO has seen a reduction in the number of days needed to complete the City of Chicago Triennial assessment cycle, the assessment cycle for 2016. In 2006 and 2009 under the previous administration the reassessment cycle required 507 and 445 days respectfully Under Assessor Berrios the task was completed for 2012 and 2015 in 350 and 314 days, respectfully.
- ❖ Improve Quality, Service Excellence, and Cultural Competence. By the conclusion of the 2014 and 2015 cycles 35% of residential appeals were filed online, that trend should continue during 2016 and 2017.
- ❖ For 2017 the assessment cycle will be target deadlines to achieve the ultimate goal of issuing 2nd Installment tax bills on time again.

2017 Budget Highlights Form

2017 Budget Item	Which Core Principle Does This Item Reflect?	Is this item new?
<p>1. Processing Innovation</p> <p>For 2016-2017: Filing identification for gas station, fast food restraints, leaseholds, airports, banks and other specialty properties will increase efficiency.</p> <p>For 2017: Two major countywide collaborative ventures: "GIS Ground Level View Imagery Acquisition" program and the countywide "Integrated Property Tax and Mass Appraisal System and Re-engineering of Related Property Tax Processes" with Tyler Technologies program.</p>	<p>Fiscal Responsibility</p> <p>Innovative Leadership</p> <p>Improved Services</p>	<p>Ongoing</p>
<p>2. Internal Initiative</p> <p>2016-2017: Audit of all "Landmark exemption" properties for continued eligibility.</p>	<p>Fiscal Responsibility</p> <p>Transparency and Accountability</p>	<p>Ongoing</p>
<p>3. Legislative and Policy Initiative</p> <p>Building a workable and sustainable affordable housing initiative for Cook County by partnering with CIC and IHDA.</p> <p>Implementation of procedures under the recently enacted "Community Stabilization Assessment Freeze" program (SB 1740 (2014), 35 ILCS 200/15-174) during 2016/2017.</p>	<p>Fiscal Responsibility</p> <p>Innovative Leadership</p> <p>Transparency and</p>	<p>On going</p>

Proposal forthcoming to consider change in assessment ratio for Class 4 non-profit properties.	Accountability Restore equity and fairness	New
4. Assessment and Appeal Process Improvement Improved analysis of the impact of foreclosure sales and vacant or abandoned property on residential valuations. Analysis of impact of aircraft noise in certain areas on residential valuation.	Fiscal Responsibility Transparency and Accountability	Ongoing New and Ongoing
5. Erroneous Exemption Enforcement Anticipating approximately \$4,500,000 in liens, drawing 1.5% interest per month by the end of calendar years 2016-2017, with the program continuing through out 2017 to record liens as permitted by law.	Attachment of liens	Ongoing

Number of Days to Complete the Assessment Process

2014 – 310 Days

2015 – 321 Days (Projected)

2016 – 285 Days (Target)

Comparison

2011 – 310 Days

2012 – 335 Days

2013 – 310 Days

% of appeals filed online (residential only)

2014 – 35%

2015 – 20% (To date: 07/30/15); final projected 35%

2016 – 35% target

% of parcels whose valuation was appealed

2014 – 13.02%

2015 – 20% (Projected)

2016 – 18% (Projected)