## A Comparison of Funding for General Assistance in City of Champaign Township with Surrounding Coterminous Townships

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Randall Cotton 1912 McDonald Dr. Champaign, IL 61821-6055 217-351-8644 recotton@earthlink.net General Assistance (GA) is a state-mandated financial aid program run by Illinois townships (which are subdivisions of counties). GA provides basic financial assistance to those who are in the deepest

of poverty (income less than \$3000/year) who don't also qualify for other state or federal aid. GA is the lastchance safety net for the poorest, most vulnerable citizens in Illinois. It typically offers a maximum of \$225 a month plus additional payments for basic medical care. In Champaign, however, benefits were severely cut and half of all clients were completely abandoned last year.

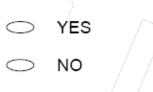
There is a referendum on the November 4, 2008 ballot to raise property tax funding of Champaign's township by a small amount - about \$10 per year for every \$150,000 of a property's market value (and \$150,000 is the median home value in Champaign). Due to the property tax cap law (PTELL – Property Tax Extension Limitation Law), increases to township funding must be passed by referendum.

Townships in Illinois are subdivisions of counties and generally delimited in a grid system, with some variations. There are over 1400 townships in Illinois. Larger cities sometimes take advantage of the ability to create a township of their own that encompasses only their city. These are termed "coterminous" townships. The City of Champaign Township is one of 20 coterminous townships in Illinois. Coterminous townships are quite different than typical townships in that they typically don't fund roads and are much less expansive geographically. Therefore, when comparing the funding levels between Champaign City Township and surrounding townships, it would be most sensible to compare only with other coterminous townships.

There are four coterminous townships in a 100 mile radius of Champaign – Cunningham Township (Urbana's township), Capital Township (Springfield's township), City of Bloomington Township and City of Peoria Township. Though Decatur and Danville might also seem appropriate locations for comparison, neither are encompassed by coterminous townships. City of Champaign Township

## Proposition To Increase The Limiting Rate

Shall the limiting rate under the Property Tax Extension Limitation Law for City of Champaign Township be increased by an additional amount equal to .02% above the limiting rate for levy year 2007 and be equal to .0550% of the equalized assessed value of the taxable property therein for levy year 2008?



(1) The approximate amount of taxes extendable at the most recently extended limiting rate is \$482,723 and the approximate amount of taxes extendable if the proposition is approved is \$779,597.

(2) For the 2007 levy year, the approximate amount of the additional tax extendable against property containing a single-family residence and having a fair market value at the time of the referendum of \$100,000 is estimated to be \$6.67.

(3) If the proposition is approved, the aggregate extension for 2008 will be determined by the limiting rate set forth in the proposition, rather than the otherwise applicable limiting rate calculated under the provisions of the Property Tax Extension Limitation Law (commonly known as the Property Tax Cap Law).

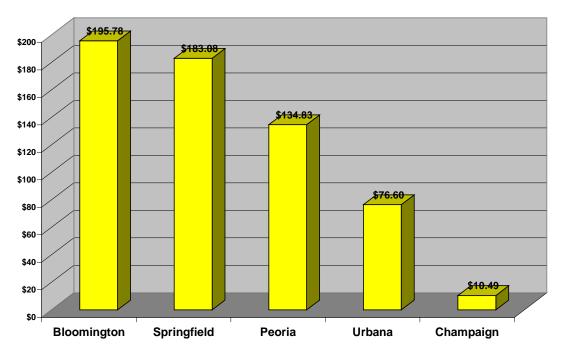
The November 4, 2008 referendum as it will appear on the ballot for Champaign voters.

Townships are generally funded almost entirely through property taxes. Ideally, perhaps the best way to compare funding for General Assistance (GA) among townships would be to identify how many property tax dollars are raised for GA in relation to the number of citizens in that Township

who would be eligible to receive GA. While the property tax extension dollars allocated to General Assistance are certainly tracked and easily obtained, the number of citizens that would be eligible for GA is neither tracked nor estimated by any source. However, a reasonable measure for comparison can be constructed from US Census data. By obtaining numbers for estimated population and rate of extreme poverty in each township (defining extreme poverty to mean living at half the federal poverty line or less), one can calculate a figure for tax dollars allocated to GA per person in extreme poverty and then compare this among townships. The table and chart below summarize this data:

City	2007 (payable 2008) property tax raised for GA	Estimated total population	Estimated extreme poverty rate	Estimated population in extreme poverty	Estimated property tax dollars raised for GA per person in extreme poverty
Bloomington	\$1,000,010.00	72,416	7.1%	5,108	\$195.78
Springfield	\$1,440,230.00	116,300	6.8%	7,867	\$183.08
Peoria	\$1,284,746.97	113,546	8.4%	9,528	\$134.83
Urbana	\$462,382.90	39,484	15.3%	6,037	\$76.60
Champaign	\$105,916.62	75,515	13.4%	10,094	\$10.49

2007 (payable 2008) property tax dollars raised for General Assistance per resident in extreme poverty for coterminous townships near Champaign



The data show a stark disparity between Champaign's funding of GA compared to other townships. It's clear that surrounding comparable townships fund GA at a level many times that of Champaign (from 7.3 times as much for Urbana to 18.7 times as much as Bloomington). This data spotlights the need for passage of the upcoming November ballot referendum for increasing City of Champaign Township's funding level. Even with passage of the referendum, City of Champaign Township stands to remain much more poorly funded compared to other comparable townships in our area.

## Notes and references:

All total population data is from 2007 US Census Bureau estimates. see http://factfinder.census.gov/servlet/GCTTable? bm=y&-context=gct&-ds\_name=PEP\_2007\_EST&-mt\_name=PEP\_2007\_EST\_GCTT1\_US9&-tree\_id=807&-redoLog=true&-\_caller=geoselect&-geo\_id=04000US17&-format=ST-9|ST-9S&-\_lang=en\_

All extreme poverty rate data (except for Urbana) is from 2007 American Community Survey estimates from the US Census Bureau. The data can be retrieved by starting at: <u>http://factfinder.census.gov/servlet/CTGeoSearchByListServlet?ds\_name=ACS\_2007\_1YR\_G00\_&\_lang=en&\_ts=242070302663</u>

Urbana extreme poverty rate data is from the US Census 2000 Decennial Census data. The data can be retrieved by starting at: http://factfinder.census.gov/servlet/CTGeoSearchByListServlet?ds\_name=DEC\_2000\_SF3\_U&\_lang=en&\_ts=242237620094

Urbana (Cunningham Township) and City of Champaign Township GA property tax extension figures for 2007 (payable 2008) are available online from the Champaign County Clerk. see <u>http://www.champaigncountyclerk.com/taxes/docs/RY2007\_extension\_sheets.pdf</u> (note: "City of Champaign Township" is found under "C of C TWP")

City of Bloomington Township GA property tax extension figure for 2007 (payable 2008) is available online from the McLean County Clerk. see http://www.mcleancountyil.gov/Departments/CountyClerk/districtinfoback.aspx

City of Peoria Township GA property tax extension figure for 2007 (payable 2008) obtained by FAX from Peoria County Clerk's office on 10/7/2008.

Springfield (Capital Township) GA property tax extension figure for 2007 (payable 2008) obtained by phone from Capital Township Supervisor Tom Cavanagh on 10/7/2008.